

THE COMMONWEALTH OF MASSACHUSETTS

ANNUAL RETURN

OF THE

NANTUCKET ELECTRIC COMPANY

TO THE

DEPARTMENT OF PUBLIC UTILITIES

YEAR ENDED DECEMBER 31, 2015

nationalgrid

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Form 1-F Approved
OMB No. 1902-0029
(Expires 11/30/2016)



**FERC FORM NO. 1-F: ANNUAL REPORT
OF NONMAJOR PUBLIC UTILITIES AND
LICENSEES**

This report is mandatory under the Federal Power Act, Sections 304(a), and 18 CFR 141.2. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Nantucket Electric Company

Year of Report

December 31, 2015

TABLE OF CONTENTS

PART	TITLE	PAGE
	Instructions.....	2
I	Identification	3
II	Annual Report Corporate Officer Certification	3a
III	Comparative Balance Sheet.....	4-5
IV	Statement of Income for the Year	6-8
V	Statement of Retained Earnings	9
VI	Statement of Cash Flows.....	10-11
VII	Statement of Accumulated Comprehensive Income and Hedging Activities.....	12(a)(b)
VIII	Notes to Financial Statements.	13-14
IX	Allowances	15-16
X	Other Regulatory Assets	17
XI	Data on Officers and Directors	18
XII	Accumulated Provision for Depreciation and Amortization of Utility Plant.....	19
XIII	Capital Stock Data.....	19
XIV	Long-Term Debt Data	19
XV	Other Regulatory Liabilities	20
XVI	Electric Sales Data for the Year.....	21
XVII	Electric Operation and Maintenance Expense.....	21
XVIII	Sales for Resale	22
XIX	Purchased Power.....	23
XX	Utility Plant Data.....	24
XXI	Footnote Data.....	25
XXII	Purchases and Sales of Ancillary Services	26
XXIII	Monthly Transmission System Peak Load	27-28
XXIV	Transmission Service and Generation Interconnection Study Costs	29
XXV	Amounts Included in ISO/RTO Settlement Statements	30

SUBSTITUTE PAGES FOR NONMAJOR RESPONDENTS USING ACCOUNTS DESIGNATED FOR MAJOR CLASSIFICATION (Part 101)

III	Comparative Balance Sheet (110-113)
IV	Statement of Income for the Year (114-117)
V	Statement of Retained Earnings for the Year (118-119)
VI	Statement of Cash Flows (120-121)
VII	Statement of Accumulated Comprehensive Income and Hedging Activities (122a-122b)
VIII	Notes to the Financial Statements (122-123)
X	Other Regulatory Assets (232)
XX	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (200-201, 204-207)
XII	Accumulated Provision for Depreciation of Electric Utility Plant (219)
XV	Other Regulatory Liabilities (278)
XVI	Electric Operating Revenues (300-301)
XVIII	Sales for Resale (310-311)
XVII	Electric Operation and Maintenance Expenses (320-323)
XIX	Purchased Power (326-327)

INSTRUCTIONS FOR FILING FERC Form No. 1-F GENERAL INFORMATION

I. Purpose

FERC Forms 1-F and 3-Q are designed to collect financial and operational information from nonmajor public utilities and licensees subject to the jurisdiction of the Federal Energy Regulatory Commission

II. Who Must Submit

Each Nonmajor Public Utility or Licensee, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities

and Licensees Subject to the Provisions of the Federal Power Act (18 CFR Part 101 (U.S. of A.) must submit FERC Form 1-F (18 C.F.R. § 141.2) Filers required to submit FERC Form 1-F must also submit FERC Form 3-Q (18 C.F.R. § 141.400).

Each Nonmajor public utility or licensee classified as Class C or Class D prior to January 1, 1984, may continue to file only the basic financial statements -Parts III, IV and V.

Note: Nonmajor means having total annual sales of 10,000 megawatt-hours or more in the previous calendar year and not classified as "Major."

GENERAL INFORMATION (Continued)

- III. What and Where to Submit
(a) Submit an original and one (1) copy of this form to:
Office of the Secretary Federal Energy
Regulatory Commission 888 First Street,
N.E. Washington, DC 2042

1. For the CPA certification, submit with the original submission or within 30 days after the filing date of FERC Form 1-F, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

1. Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
(II) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the U.S. (See 18 C.F.R. §§ 41.10 41.12 for specific qualifications.)

Schedules

Comparative Balance Sheet
Statement of Income
Statement of Retained
Earnings Statement of Cash
Flows Notes to Financial
Statements

The following format must be used for the CPA Certification Statement for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of for the year ended on which we have reported separately under date of we have also reviewed schedules of Form 1-F for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Enter in whole dollars only.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

Federal, State and Local Governments and other authorized users may obtain blank copies of the FERC Form 1-F free of charge from <http://www.ferc.gov/docs-filing/hard-fil.asp>.

When to Submit Submit FERC Form 1-F on or before April 18th of the year following the calendar year covered by this report (18 C.F.R. § 141.2). Submit FERC Form 3-Q within 70 days from the end of the reporting quarter (18 C.F.R. § 141.400).

Where to Send Comments on Public Reporting Burden

The public reporting burden for this collection of information is estimated to average 116 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426 (Attention: Michael Miller, CI-1; and to the Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission).

GENERAL INSTRUCTIONS

Report data as outlined in the U.S. of A. (18 C.F.R. Part 101) as designed for "Nonmajor" electric utilities. If the "Major" designated accounts are maintained, then the following schedules may be substituted:

Nonmajor Accounts Part Number	Major Accounts Schedule Page (FERC Form No. 1)
III	110-113
IV	114-117
V	118-119
XII	219
XVI	300-301
XVII	320-323
XVIII	310-311
XIX	326-327
XX	200-201, 204-207

Indicate negative amounts by enclosing the figures in parenthesis (), except where otherwise noted (debit or credit).

When making revisions, resubmit only those pages that have been changed from the original. Include with your resubmission Part I, Identification and Part II, Attestation.

Use Part XXII, Footnote Data, to footnote any entry made to parts II through XXI.

Enter Not applicable whenever a particular part is not applicable.


SPECIFIC INSTRUCTIONS Item No. Instruction All Refer to the form. All items are self-explanatory.

PART I: IDENTIFICATION		
01 Exact Legal name of Respondent Nantucket Electric Company		02 Year of Report 2015/Q4
03 Previous Name and Date of Change <i>(If name changed during year)</i>		
04 Address of Principal Business Office at End of Year <i>(Street, City, State, Zip Code)</i> 40 Sylvan Road, Waltham, MA 02451		
05 Name of Contact Person Joseph Marrese	06 Title of Contact Person Director	
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> One Metrotech Center, Brooklyn, NY 11201		
08 Telephone of Contact Person, Including Area Code (917) 903-2840	09 This Report is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report <i>(Mo, Da, Yr)</i> 03/29/2016
11 Name of Officer Having Custody of the Books of Account Sharon Partridge	12 Title of Officer VP, US Financial Controller	
13 Address of Officer Where Books of Account Are Kept <i>(Street, City, State, Zip Code)</i> One Metrotech Center, Brooklyn, NY 11201		
14 Name of State Where Respondent Is Incorporated Massachusetts	15 Date of Incorporation <i>(Mo, Da, Yr)</i> 04/12/1905	16 If applicable, Reference to Law Incorporated Under GL 15613
17 Explanation of Manner and Extent of Corporate Control <i>(If the respondent controls or is controlled by any other corporation, business trust, or similar organization)</i>		

PART II: ANNUAL REPORT CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

Line No.	Name of Certifying Official	Signature	Title	Date
1	Sharon Partridge		VP, US Financial Controller	03/29/2016

Title 18, U.S.C. 1001 makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		280	34,389
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		6,367	6,367
60	Rents Receivable (172)		117,044	32,664
61	Accrued Utility Revenues (173)		1,024,576	1,688,973
62	Miscellaneous Current and Accrued Assets (174)		507	1,702
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		66,827,376	83,470,252
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		912,400	981,350
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	8,960,737	8,926,067
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	56,104	92,516
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		86,559	169,005
82	Accumulated Deferred Income Taxes (190)	234	11,514,219	11,143,320
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		21,530,019	21,312,258
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		174,618,077	189,966,734

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
1	UTILITY PLANT				
2	Utility Plant (101-106, 114)	200-201	133,541,047	131,359,016	
3	Construction Work in Progress (107)	200-201	648,940	1,378,388	
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		134,189,987	132,737,404	
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	48,909,282	48,515,272	
6	Net Utility Plant (Enter Total of line 4 less 5)		85,280,705	84,222,132	
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0	
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0	
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0	
10	Spent Nuclear Fuel (120.4)		0	0	
11	Nuclear Fuel Under Capital Leases (120.6)		0	0	
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0	
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0	
14	Net Utility Plant (Enter Total of lines 6 and 13)		85,280,705	84,222,132	
15	Utility Plant Adjustments (116)		0	0	
16	Gas Stored Underground - Noncurrent (117)		0	0	
17	OTHER PROPERTY AND INVESTMENTS				
18	Nonutility Property (121)		293,317	293,317	
19	(Less) Accum. Prov. for Depr. and Amort. (122)		241,687	214,091	
20	Investments in Associated Companies (123)		0	0	
21	Investment in Subsidiary Companies (123.1)	224-225	0	0	
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)				
23	Noncurrent Portion of Allowances	228-229	0	0	
24	Other Investments (124)		0	0	
25	Sinking Funds (125)		0	0	
26	Depreciation Fund (126)		0	0	
27	Amortization Fund - Federal (127)		0	0	
28	Other Special Funds (128)		928,347	882,866	
29	Special Funds (Non Major Only) (129)		0	0	
30	Long-Term Portion of Derivative Assets (175)		0	0	
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0	
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		979,977	962,092	
33	CURRENT AND ACCRUED ASSETS				
34	Cash and Working Funds (Non-major Only) (130)		0	0	
35	Cash (131)		10,920	785,848	
36	Special Deposits (132-134)		0	0	
37	Working Fund (135)		0	0	
38	Temporary Cash Investments (136)		0	0	
39	Notes Receivable (141)		0	0	
40	Customer Accounts Receivable (142)		2,152,488	1,984,374	
41	Other Accounts Receivable (143)		31,634	189,259	
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		155,426	154,648	
43	Notes Receivable from Associated Companies (145)		54,090,673	73,676,625	
44	Accounts Receivable from Assoc. Companies (146)		9,275,887	5,061,708	
45	Fuel Stock (151)	227	0	0	
46	Fuel Stock Expenses Undistributed (152)	227	0	0	
47	Residuals (Elec) and Extracted Products (153)	227	0	0	
48	Plant Materials and Operating Supplies (154)	227	272,426	162,991	
49	Merchandise (155)	227	0	0	
50	Other Materials and Supplies (156)	227	0	0	
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0	
52	Allowances (158.1 and 158.2)	228-229	0	0	

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/29/2016	Year/Period of Report end of 2015/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		0	0
48	Miscellaneous Current and Accrued Liabilities (242)		240,680	310,531
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		23,428,046	25,475,050
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	0	0
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	6,637,915	5,299,422
60	Other Regulatory Liabilities (254)	278	21,701,754	19,919,829
61	Unamortized Gain on Reacquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		18,376,686	17,983,880
64	Accum. Deferred Income Taxes-Other (283)		3,672,476	3,531,728
65	Total Deferred Credits (lines 56 through 64)		50,388,831	46,734,859
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		174,618,077	189,966,734

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STATEMENT OF INCOME

Quarterly

- Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
- Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
- Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
- Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
- If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

- Do not report fourth quarter data in columns (e) and (f)
- Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	36,245,432	29,710,079		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	22,609,844	19,511,339		
5	Maintenance Expenses (402)	320-323	3,292,588	787,646		
6	Depreciation Expense (403)	336-337	3,870,362	3,799,956		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337				
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	543,589	627,914		
15	Income Taxes - Federal (409.1)	262-263	1,544,013	2,127,357		
16	- Other (409.1)	262-263	378,904	-86,894		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	181,144	-524,580		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277		-399,091		
19	Investment Tax Credit Adj. - Net (411.4)	266		-326		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		32,420,444	26,641,503		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		3,824,988	3,068,576		

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STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
- 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
36,245,432	29,710,079					2
						3
22,609,844	19,511,339					4
3,292,588	787,646					5
3,870,362	3,799,956					6
						7
						8
						9
						10
						11
						12
						13
543,589	627,914					14
1,544,013	2,127,357					15
378,904	-86,894					16
181,144	-524,580					17
	-399,091					18
	-326					19
						20
						21
						22
						23
						24
32,420,444	26,641,503					25
3,824,988	3,068,576					26

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016		Year/Period of Report End of 2015/Q4	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		3,824,988	3,068,576			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)						
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)						
33	Revenues From Nonutility Operations (417)		-7,127	-4,305			
34	(Less) Expenses of Nonutility Operations (417.1)		37,000	35,541			
35	Nonoperating Rental Income (418)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119					
37	Interest and Dividend Income (419)		412,424	158,344			
38	Allowance for Other Funds Used During Construction (419.1)		19,210	18,075			
39	Miscellaneous Nonoperating Income (421)		-15,788	44,805			
40	Gain on Disposition of Property (421.1)						
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		371,719	181,378			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)						
44	Miscellaneous Amortization (425)						
45	Donations (426.1)		19,668	29,532			
46	Life Insurance (426.2)		7,054	14,184			
47	Penalties (426.3)		59,747				
48	Exp. for Certain Civic, Political & Related Activities (426.4)		3,479	3,801			
49	Other Deductions (426.5)		297,282	-139,557			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		387,230	-92,040			
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263					
53	Income Taxes-Federal (409.2)	262-263	3,597	48,271			
54	Income Taxes-Other (409.2)	262-263	894	11,993			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	-14,874	-14,287			
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277					
57	Investment Tax Credit Adj.-Net (411.5)						
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-10,383	45,977			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		-5,128	227,441			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		209,750	164,336			
63	Amort. of Debt Disc. and Expense (428)		100,320	158,018			
64	Amortization of Loss on Reacquired Debt (428.1)		82,446	82,446			
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)						
68	Other Interest Expense (431)		221,014	231,592			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		1,963	3,440			
70	Net Interest Charges (Total of lines 62 thru 69)		611,567	632,952			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		3,208,293	2,663,065			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		3,208,293	2,663,065			

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		20,482,460	17,819,395
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		3,208,293	2,663,065
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31				
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		23,690,753	20,482,460
	APPROPRIATED RETAINED EARNINGS (Account 215)			

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STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39				
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		23,690,753	20,482,460
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	3,208,293	2,663,065
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	3,870,362	3,799,956
5	Amortization of Debt Discount and Expense	100,320	158,018
6	Amortization of Loss on Reacquired Debt	82,446	82,446
7			
8	Deferred Income Taxes (Net)	166,270	-139,776
9	Investment Tax Credit Adjustment (Net)		-326
10	Net (Increase) Decrease in Receivables	570,306	-681,936
11	Net (Increase) Decrease in Inventory	-109,435	-47,404
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	1,843,780	-5,291,989
14	Net (Increase) Decrease in Other Regulatory Assets	2,923,723	1,056,933
15	Net Increase (Decrease) in Other Regulatory Liabilities	1,781,925	2,385,453
16	(Less) Allowance for Other Funds Used During Construction	19,210	18,075
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-1,421,879	2,361,011
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	12,996,901	6,327,376
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-4,198,038	-3,725,940
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-19,210	-18,075
31	Other (provide details in footnote):	45,352	43,161
32	Cost of Removal	-748,653	-502,490
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-4,882,129	-4,167,194
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):	-40,689	-7,115
54	Affiliate Moneypool Lending and Receivables/Payables, Net	11,480,989	-4,271,526
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	6,558,171	-8,445,835
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65	Change in Advances from Associated Companies	-20,000,000	
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	-20,000,000	
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-330,000	-305,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		2,273,851
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock		
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-20,330,000	1,968,851
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-774,928	-149,608
87			
88	Cash and Cash Equivalents at Beginning of Period	785,848	935,456
89			
90	Cash and Cash Equivalents at End of period	10,920	785,848

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 18 Column: b

	2015
<u>Operating Activities - Other</u>	
Change in Prepayments	\$ 34,109
Change in Miscellaneous Current and Accrued Assets	1,195
Change in Unamortized Debt Expense	(31,370)
Change in Miscellaneous Deferred Debits	36,412
Change in Accumulated Provision for Injuries and Damages	161,290
Change in Other Deferred Credits	1,338,493
Change in Deferred Income Taxes	(2,962,008)
	<u>\$ (1,421,879)</u>

Schedule Page: 120 Line No.: 18 Column: c

	2014
<u>Operating Activities - Other</u>	
Change in Prepayments	\$ (34,389)
Change in Deferred Credits	2,256,333
Change in Miscellaneous Current and Accrued Assets	5,246
Change in Unamortized Debt Expense	(155,074)
Change in Preliminary Survey and Investigation Charges	5,599
Change in Clearing Accounts	7,467
Change in Miscellaneous Deferred Debits	(60,380)
Change in Accumulated Provision for Injuries and Damages	(370,531)
Change in Accumulated Deferred Investment Tax Credits	326
Changes in Deferred Income Taxes	706,414
	<u>\$ 2,361,011</u>

Schedule Page: 120 Line No.: 31 Column: b

	2015
<u>Investing Activities - Other</u>	
Change in Utility Plant - Other	\$ 45,352
	<u>\$ 45,352</u>

Schedule Page: 120 Line No.: 31 Column: c

	2014
<u>Investing Activities - Other</u>	
Change in Utility Plant - Other	\$ 43,161
	<u>\$ 43,161</u>

Schedule Page: 120 Line No.: 53 Column: b

	2015
<u>Investing Activities - Other</u>	
Change in Special Funds	\$ (45,481)
Change in Accumulated Other Comprehensive Income	4,792
	<u>\$ (40,689)</u>

Schedule Page: 120 Line No.: 53 Column: c

	2014
<u>Investing Activities - Other</u>	
Change in Accumulated Other Comprehensive Income	\$ 34,579

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Change in Special Funds	(88,824)
Change in Special Deposits	47,131
	<u>\$ (7,115)</u>

Schedule Page: 120 Line No.: 76 Column: c

	<u>2014</u>
<u>Financing Activities - Other</u>	
Capital Contributions	\$ 2,273,851
	<u>\$ 2,273,851</u>

[illegible]

[illegible]

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/29/2016	Year/Period of Report End of <u>2015/Q4</u>
NOTES TO FINANCIAL STATEMENTS			
<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.</p> <p>7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.</p> <p>8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.</p> <p>9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.</p>			
<p>PAGE 122 INTENTIONALLY LEFT BLANK SEE PAGE 123 FOR REQUIRED INFORMATION.</p>			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NANTUCKET ELECTRIC COMPANY
NOTES TO THE FINANCIAL STATEMENTS**

1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Nantucket Electric Company (the "Company") is a retail distribution company providing electric service to approximately 13,000 customers on the Island of Nantucket.

The Company is a wholly-owned subsidiary of National Grid USA ("NGUSA" or "Parent"), a public utility holding company with regulated subsidiaries engaged in the generation of electricity and the transmission, distribution, and sale of both natural gas and electricity. NGUSA is a direct wholly-owned subsidiary of National Grid North America Inc. ("NGNA") and an indirect wholly-owned subsidiary of National Grid plc, a public limited company incorporated under the laws of England and Wales.

The financial statements as of and for the years ended December 31, 2015 and 2014 are prepared in accordance with accounting requirements of the Federal Energy Regulatory Commission ("FERC") as set forth in its applicable Uniform System of Accounts. This is a comprehensive basis of accounting other than accounting principles generally accepted in the United States ("U.S. GAAP"). The primary differences consist of the following:

- The accumulated amounts collected in rates for cost of removal over spending are included within accumulated depreciation for FERC reporting, but are presented separately as a regulatory liability for U.S. GAAP reporting.
- Intercompany accounts are presented on a gross basis for FERC reporting but are netted together by counterparty for U.S. GAAP reporting.
- Regulatory assets and liabilities are presented on a gross basis and are classified as non-current for FERC reporting, but are presented on a net basis where appropriate with current or long-term classification as applicable for U.S. GAAP reporting.
- All debt is classified as long-term in the balance sheet for FERC reporting but is classified as current or long-term as applicable for U.S. GAAP reporting.
- The liability for uncertain tax positions related to temporary differences is not recognized, and deferred taxes are recognized based on the difference between positions taken in filed tax returns and amounts reported in the financial statements, for FERC reporting. The liability for uncertain tax positions related to temporary differences is recognized and deferred taxes are recognized based on the difference between the positions taken in filed tax returns adjusted for uncertain tax positions related to temporary differences and amounts reported in the financial statements for U.S. GAAP reporting.
- Deferred tax assets and liabilities are presented on a gross basis and are classified as non-current for FERC reporting, but are presented on a net basis where appropriate with current and long-term classification as applicable for U.S. GAAP reporting.

The Company has evaluated subsequent events and transactions through March 29, 2016, the date of issuance of these financial statements, and concluded that there were no events or transactions that require adjustment to, or disclosure in, the financial statements as of and for the year ended December 31, 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Regulatory Accounting

The Federal Energy Regulatory Commission ("FERC") and the Massachusetts Department of Public Utilities ("DPU") regulate the rates the Company charges its customers. In certain cases, the rate actions of the DPU can result in accounting that differs from non-regulated companies. In these cases, the Company defers costs (as regulatory assets) or recognizes obligations (as regulatory liabilities) if it is probable that such amounts will be recovered or refunded to customers through future rates. Regulatory assets and liabilities are amortized to the statements of income consistent with the treatment of the related costs in the ratemaking process.

Revenue Recognition

Revenues are recognized for energy service provided on a monthly billing cycle basis. The Company records unbilled revenues for the estimated amount of services rendered from the time meters were last read to the end of the accounting period.

As approved by the DPU, the Company is allowed to pass through commodity-related costs to customers and also bills for approved rate adjustment mechanisms. In addition, the Company has a revenue decoupling mechanism which allows for annual adjustments to the Company's delivery rates as a result of the reconciliation between allowed revenue and billed revenue. Any difference between the allowed revenue and the billed revenue is recorded as a regulatory asset or regulatory liability.

Other Taxes

The Company collects taxes and fees from customers such as sales taxes, other taxes, surcharges, and fees that are levied by state or local governments on the sale or distribution of electricity. The Company accounts for taxes that are imposed on customers (such as sales taxes) on a net basis (excluded from revenues).

Income Taxes

Federal and state income taxes have been computed utilizing the asset and liability approach that requires the recognition of deferred tax assets and liabilities for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. Deferred income taxes also reflect the tax effect of net operating losses, capital losses and general business credit carry-forwards.

The effects of tax positions are recognized in the financial statements when it is more likely than not that the position taken or expected to be taken in a tax return will be sustained upon examination by taxing authorities based on the technical merits of the position. The financial effect of changes in tax laws or rates is accounted for in the period of enactment. Deferred investment tax credits are amortized over the useful life of the underlying property.

NGNA files consolidated federal tax returns including all of the activities of its subsidiaries. Each subsidiary company determines its current and deferred taxes based on the separate return method. The Company settles its current tax liability or benefit each year with NGNA pursuant to a tax sharing arrangement between NGNA and its subsidiaries. Tax benefits attributable to the tax attributes of other group companies and allocated by NGNA are treated as capital contributions.

Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried at cost which approximates fair value.

Special Deposits

Special deposits primarily include collateral paid to the Company's counterparties for health insurance and worker's compensation.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Allowance for Doubtful Accounts

The Company recognizes an allowance for doubtful accounts to record accounts receivable at estimated net realizable value. The allowance is determined based on a variety of factors, including for each type of receivable, applying an estimated reserve percentage to each aging category, taking into account historical collection and write-off experience and management's assessment of collectability from individual customers as appropriate. The collectability of receivables is continuously assessed, and if circumstances change, the allowance is adjusted accordingly. Receivable balances are written off against the allowance for doubtful accounts when the balances are deemed to be uncollectible.

Plant Materials and Operating Supplies

Plant materials and operating supplies are stated at the lower of weighted average cost or market value and are expensed or capitalized as used. The Company's policy is to write-off obsolete inventory; there were no material write-offs of obsolete inventory for the years ended December 31, 2015 or 2014.

Fair Value Measurements

The Company measures available-for-sale securities at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following is the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that a company has the ability to access as of the reporting date;
- Level 2: inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data; and
- Level 3: unobservable inputs, such as internally-developed forward curves and pricing models for the asset or liability due to little or no market activity for the asset or liability with low correlation to observable market inputs.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Utility Plant

Utility plant is stated at original cost. The cost of repairs and maintenance is charged to expense and the cost of renewals and betterments that extend the useful life of utility plant is capitalized. The capitalized cost of additions to utility plant includes costs such as direct material, labor and benefits, and an allowance for funds used during construction ("AFUDC").

Depreciation is computed over the estimated useful life of the asset using the composite straight-line method. Depreciation studies are conducted periodically to update the composite rates and are approved by the DPU. The average composite rates for each of the years ended December 31, 2015 and 2014 was 5.0% and 4.9%, respectively. The average service life for each of the years ended December 31, 2015 and 2014 was 44 years.

Allowance for Funds Used During Construction

In accordance with applicable accounting guidance, the Company records AFUDC, which represents the debt and equity costs of financing the construction of new utility plant. AFUDC equity is reported in the statements of income as non-cash income in other income, net and AFUDC debt is reported as a non-cash offset to other interest, including affiliate interest. After construction is completed, the Company is permitted to recover these costs through their inclusion in rate base and corresponding depreciation expense. The Company recorded AFUDC related to equity of \$19 thousand and \$18 thousand and AFUDC related to debt of \$2

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

thousand and \$3 thousand for the years ended December 31, 2015 and 2014, respectively.

Goodwill

Goodwill is included in utility plant in the accompanying balance sheets and represents the excess of the purchase price of a business over the fair value of the tangible and intangible assets acquired, net of the fair value of liabilities assumed and the fair value of any non-controlling interest in the acquisition. The Company tests goodwill for impairment annually, and when events occur or circumstances change that would more likely than not reduce the fair value of the Company below its carrying amount. Effective in 2015, the Company is utilizing an annual impairment assessment date of January 1, having previously used an assessment date of January 31. Management has determined that the use of January 1 as its annual impairment assessment date is preferable to January 31 because it facilitates a more timely evaluation in advance of the Company's fiscal year end of March 31. The movement of the date has not resulted in a substantive change in the timing of recording any potential impairment.

Goodwill is tested for impairment using a two-step approach. The first step compares the estimated fair value of the Company with its carrying value, including goodwill. If the estimated fair value exceeds the carrying value, then goodwill is considered not impaired. If the carrying value exceeds the estimated fair value, then a second step is performed to determine the implied fair value of goodwill. If the carrying value of goodwill exceeds its implied fair value, then an impairment charge equal to the difference is recorded.

The fair value of the Company was calculated in the annual goodwill impairment test for the year ended December 31, 2015 utilizing both income and market approaches.

- To estimate fair value utilizing the income approach, the Company used a discounted cash flow methodology incorporating its most recent business plan forecasts together with a projected terminal year calculation. Key assumptions used in the income approach were: (a) expected cash flows for the period from April 1, 2015 to March 31, 2020; (b) a discount rate of 5.2%, which was based on the Company's best estimate of its after-tax weighted-average cost of capital; and (c) a terminal growth rate of 2.25%, based on the Company's expected long-term average growth rate in line with estimated long-term U.S. economic inflation.
- To estimate fair value utilizing the market approach, the Company followed a market comparable methodology. Specifically, the Company applied a valuation multiple of earnings before interest, taxes, depreciation and amortization ("EBITDA"), derived from data of publicly-traded benchmark companies, to business operating data. Benchmark companies were selected based on comparability of the underlying business and economics. Key assumptions used in the market approach included the selection of appropriate benchmark companies and the selection of an EBITDA multiple of 11, which the Company believes is appropriate based on comparison of its business with the benchmark companies.

The Company determined the fair value of the business using 50% weighting for each valuation methodology, as it believes that each methodology provides equally valuable information. Based on the resulting fair value from the annual analyses, the Company determined that no adjustment of the goodwill carrying value was required at December 31, 2015 or 2014.

Available-For-Sale Securities

The Company holds available-for-sale securities that include equities, municipal bonds and corporate bonds. These investments are recorded at fair value and are included in other special funds in the accompanying balance sheets. Changes in the fair value of these assets are recorded within other comprehensive income.

Employee Benefits

The Company participates with other subsidiaries in defined benefit pension plans ("Pension Plans") and postretirement benefit other than pension ("PBOP") plans for its employees, administered by NGUSA. The Company recognizes its portion of the Pension

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Plans' and PBOP plans' funded status in the balance sheets as a net liability or asset. The cost of providing these plans is recovered through rates; therefore, the net funded status is offset by a regulatory asset or liability. The Pension Plans' and PBOP plans' assets are commingled and cannot be allocated to an individual company. The Company measures and records its pension and PBOP funded status at the year-end date. Pension and PBOP plan assets are measured at fair value, using the year-end market value of those assets.

New and Recent Accounting Guidance

Accounting Guidance Not Yet Adopted

Presentation of Financial Statements - Going Concern, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern

In August 2014, the Financial Accounting Standards Board (FASB) issued amendments on reporting about an entity's ability to continue as a going concern in ASU No. 2014-15, "Presentation of Financial Statements – Going Concern (Subtopic 205 - 40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern." The amendments provide guidance about management's responsibility to evaluate whether there is substantial doubt surrounding an entity's ability to continue as a going concern. If management concludes that substantial doubt exists, the amendments also require additional disclosures relating to management's evaluation and conclusion. The amendments are effective for the annual reporting period ending after December 15, 2016 and interim periods thereafter. The application of this guidance is not expected to have a material impact on the Company's financial position, results of operations and cash flows.

Revenue Recognition

In May 2014, the FASB and the International Accounting Standards Board jointly issued a new revenue recognition standard ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." The objective of the new guidance is to provide a single comprehensive revenue recognition model for all contracts with customers to improve comparability. The standard contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services in an amount that reflects the consideration the entity expects to receive. The new guidance must be adopted using either a full retrospective approach or a modified retrospective approach. For non-public entities, the new guidance is effective for periods beginning after December 15, 2018, with early adoption permitted for periods beginning after December 15, 2017. The Company is currently evaluating the impact of the new guidance on its financial position, results of operations and cash flows.

Lease Accounting

In February 2016, the FASB issued a new lease accounting standard, ASU No. 2016-02, "Leases (Topic 842)." The key objective of the new standard is to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Lessees will need to recognize a right-of-use asset and a lease liability for virtually all of their leases (other than leases that meet the definition of a short-term lease). For income statement purposes, a dual model has been retained, with leases to be designated as operating leases or finance leases. Expenses will be recognized on a straight-line basis for operating leases, and a front-loaded basis for finance leases. For non-public entities, the new guidance is effective for periods beginning after December 15, 2019, with early adoption permitted. The new standard must be adopted using a modified retrospective transition, and provides for certain practical expedients. The Company is currently evaluating the impact of the new standard on its financial position, results of operations and cash flows.

3. REGULATORY ASSETS AND LIABILITIES

The Company records regulatory assets and liabilities that result from the ratemaking process. The following table presents the regulatory assets and regulatory liabilities recorded in the accompanying balance sheets.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

		December 31,	
		2015	2014
		(in thousands of dollars)	
<i>Other regulatory assets</i>			
Postretirement Benefits	\$	5,643	\$ 4,175
Rate Adjustment Mechanisms		2,135	3,566
Regulatory deferred tax assets		1,182	1,168
Other		-	17
Total		<u>8,961</u>	<u>8,926</u>
<i>Other regulatory liabilities</i>			
Rate Adjustment Mechanisms		13,274	11,580
Energy efficiency		6,153	6,477
Regulatory deferred tax liability		818	818
Second cable deferral		1,414	1,045
Other		43	-
Total		<u>21,702</u>	<u>19,920</u>
Net regulatory liabilities	\$	(12,741)	\$ (10,994)

Energy efficiency ("EE"): This amount represents the difference between revenue billed to customers through its EE Charge and the costs of the Company's EE programs as approved by the DPU.

Postretirement benefits: This amount primarily represents the excess costs of the Company's pension and PBOP plans over amounts received in rates that are deferred to a regulatory asset to be recovered in the future and the non-cash accrual of net actuarial gains and losses.

Rate adjustment mechanisms: The Company is subject to a number of rate adjustment mechanisms such as for commodity costs, whereby an asset or liability is recognized resulting from differences between actual revenues and the underlying cost being recovered, or differences between actual revenues and targeted amounts as approved by the DPU.

The Company records carrying charges on regulatory balances related to rate adjustment mechanisms and post-retirement cost for which cash expenditures have been made and are subject to recovery, or for which cash has been collected and is subject to refund. Carrying charges are not recorded on items for which expenditures have not yet been made.

Regulatory deferred tax asset: This amount represents unrecovered federal and state deferred taxes of the Company primarily as a result of regulatory flow through accounting treatment and tax rate changes. The income tax benefits or charges for certain plant related timing differences, such as equity AFUDC, are immediately flowed through to, or collected from, customers. The amortization of the related regulatory deferred tax asset, for these items, follows the book life of the underlying plant asset. The Company recorded an increase in the regulatory deferred tax asset in the current year as a result of the increase in deferred tax liabilities stemming from a Massachusetts state income tax rate change. The Company expects to address the recovery period of the regulatory asset created by the Massachusetts rate change in its next rate case.

4. RATE MATTERS

Pursuant to a settlement agreement associated with NGUSA's purchase of the Company in 1996 approved by the DPU, the Company is considered, along with its affiliate Massachusetts Electric Company ("Massachusetts Electric") as one regulated entity for the purpose of recovering its costs and establishing its rates assessed to its customers, with the exception of the recovery of the Company's investment in two undersea electric cables. Pursuant to the settlement agreement, the recovery of this investment is from all of the Company's customers on the Island of Nantucket. Except for the Company's Cable Facilities Surcharge, all rates and charges of the Company and Massachusetts Electric are identical. In the recovery of certain regulatory assets, funding of the

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

recovery is from the customers of both companies. However, the mechanism by which recovery is ultimately achieved is through a single regulatory asset recorded on the balance sheet of Massachusetts Electric. Costs deferred and recovered in this manner are incremental storm costs of qualifying storm events, site investigation and remediation costs, solar generation costs, and any other costs incurred by the companies when taken as a single entity. The Company's share of these costs and recoveries are reflected through the DPU approved return on equity mechanism between the Company and Massachusetts Electric, as discussed in Note 11.

November 2015 Electric Rate Change Filing

In November 2015, Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid (together, the "Company") filed a rate change with the Department of Public Utilities (the "Department"). By this filing, the Company is requesting a change in delivery rates designed to recover an annualized net increase of \$142.9 million in delivery revenue. If approved by the Department, the proposed change would represent a 21.8 percent increase in those revenues. The Company's last general distribution rate proceeding took place in 2009. Currently the Company is in negotiations with the Department.

2009 Capital Investment Audit

The DPU approved an RDM arising from the 2009 distribution rate case filed by the Company and its affiliate, Massachusetts Electric. As part of its RDM provision, the Company files a report by July 1 of each year on its capital investment for the prior calendar year. In connection with the Company's first capital expenditure ("CapEx") filing made in July 2010, the DPU opened a proceeding in March 2011, as requested by the Massachusetts Attorney General's Office ("Attorney General"), for an independent audit of the Company's 2009 capital investments which, in part, formed the basis for the Company's RDM rate. The auditor issued its Final Audit Report on August 5, 2015, certifying that the CapEx filing and supporting documentation demonstrated that the costs requested for recovery were supported by source documents and were properly allocable to the Company. On February 28, 2016, the Department issued an order generally accepting the auditor's audit report and certification and directing the Company to implement three of the recommendations proffered by the auditor and submit the implementation plan to the Department by April 29, 2016.

DPU Audit Settlement Agreement

In the general rate case involving the Company's Massachusetts gas distribution affiliates, the DPU opened an investigation to address the allocation and assignment of costs to the gas affiliates by the National Grid service companies. The audit was later expanded to include the Company's Massachusetts electric distribution affiliates. The Company and the Attorney General's Office executed a Settlement Agreement that the DPU approved on July 25, 2014. As a result of the approval of the Settlement, there is no need for an audit, the Company will implement reporting and review practices similar to those in place for its New York affiliates, and NGUSA contributed \$1 million to the Massachusetts Association for Community Action that will be used for the benefit of the Company's electric customers and customers of its Massachusetts gas distribution affiliates who are eligible for fuel assistance.

Storm Management Audit

In the December 11, 2012 order, the DPU ordered a management audit of the Company and Massachusetts Electric's emergency planning, outage management, and restoration. The auditors have completed their audit, and submitted their Final Report to the DPU on July 9, 2014. No parties submitted comments on the Final Report. The Company cannot predict the outcome of the management audit.

2013 Service Quality

On October 21, 2015, the DPU rejected the Company's and Massachusetts Electric's calendar year 2012 service quality reports due to the time period used for the electric reliability benchmarks and required the resubmittal of the results for calendar years 2012, 2013, and 2014. For the calendar year 2013 filing, the Company reported an approximate \$60 thousand penalty on December 22, 2015 and proposed to issue a one-time credit to customers upon the DPU's approval of the filing.

Gas Transportation and Storage Contracts

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

On January 15, 2016, Nantucket Electric Company and Massachusetts Electric Company filed petitions with the Department of Public Utilities (the "Department") for approval of: (1) two long-term gas transportation and storage services agreements with Algonquin Gas Transmission, LLC ("Algonquin") on the proposed Access Northeast pipeline (together, the "ANE Contracts"); (2) two long-term transportation agreements with Tennessee Gas Pipeline, LLC ("Tennessee") on the proposed Northeast Energy Direct pipeline (together, the "NED Contracts"); (3) an Electric Reliability Service Program ("ERSP") to set parameters for the release of capacity and sale of LNG supply available by virtue of the ANE and NED Contracts; and (4) Long-Term Gas Transportation and Storage Contracts ("LGTSC") tariffs, which would allow for recovery of the costs associated with the agreements executed by National Grid for the provision of interstate pipeline transportation and gas storage services to electric generation facilities in the ISO-NE region, as well as an innovation incentive for the Company equal to 2.75 percent of the annual fixed contract payments under the proposed Contracts. Both pipelines are designed to provide increased natural gas deliverability to the New England markets. If approved by the Department, National Grid would release its capacity on these pipelines to the electric market in accordance with an Electric Reliability Service ("ERS") tariff, which is subject to approval by FERC, and in accordance with the state-approved ERSP, in order to improve the reliability and cost of electric supply for its electric retail customers. The analysis conducted in support of National Grid's petitions estimates levelized annual net benefits of \$1.2 billion per year from 2019 through 2038 for electric customers in New England under normal weather conditions, under a scenario where the ANE and NED Projects are both put into service. The Department held an initial public hearing on the Company's proposals on March 10th, and a decision is expected by the Fall of 2016.

5. UTILITY PLANT AND NON-UTILITY PROPERTY

The following table summarizes utility plant and non-utility property at cost along with accumulated depreciation and amortization:

	December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Plant and machinery	\$ 112,792	\$ 110,628
Goodwill	16,552	16,552
Land and buildings	4,491	4,473
Assets in construction	649	1,378
Total property, plant and equipment	134,483	133,031
Accumulated depreciation and amortization	(49,151)	(48,729)
Utility plant and non-utility property, net	\$ 85,332	\$ 84,301

6. FAIR VALUE MEASUREMENTS

The following table presents assets and liabilities measured and recorded at fair value in the accompanying balance sheets on a recurring basis and their level within the fair value hierarchy as of December 31, 2015 and 2014:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

	December 31, 2015		
	Level 1	Level 2	Level 3
	(in thousands of dollars)		
Total			
Assets:			
Available-for-sale securities	394	534	-
Total	394	534	-

	December 31, 2014		
	Level 1	Level 2	Level 3
	(in thousands of dollars)		
Total			
Assets:			
Available-for-sale securities	380	503	-
Total	380	503	-

A transfer into Level 3 represents existing assets or liabilities that were previously categorized at a higher level for which the inputs became unobservable during the year. A transfer out of Level 3 represents assets and liabilities that were previously classified as Level 3 for which the inputs became observable based on the criteria discussed previously for classification in Level 2. These transfers, which are recognized at the end of each period, result from changes in the observability of forward curves from the beginning to the end of each reporting period. There were no transfers between Level 1 and Level 2, and no transfers into or out of Level 3, during the years ended December 31, 2015 or 2014.

Available-for-sale securities are included in other non-current assets in the accompanying balance sheets and primarily include equity and debt investments based on quoted market prices (Level 1) and municipal and corporate bonds based on quoted prices of similar traded assets in open markets (Level 2).

Other Fair Value Measurements

The Company's balance sheets reflect long-term debt at amortized cost. The fair value of the Company's long-term debt was based on quoted market prices, where available or estimated using quoted market prices for similar debt. The fair value of this debt at December 31, 2015 and 2014 was \$51.7 million and \$52.0 million, respectively.

All other financial instruments in the accompanying balance sheets such as accounts receivable, accounts payable, and the intercompany money pool are stated at cost, which approximates fair value.

7. EMPLOYEE BENEFITS

The Company participates with other NGUSA subsidiaries in a qualified and non-qualified non-contributory defined benefit plan (the "Pension Plan") and PBOP plan (together with the Pension Plan (the "Plan") covering substantially all employees.

The Pension Plan is a defined benefit plan which provides union employees, as well as non-union employees hired before January 1, 2011, with a retirement benefit. Supplemental nonqualified, non-contributory executive retirement programs provide additional defined pension benefits for certain executives. The PBOP Plan provides health care and life insurance coverage to eligible retired employees. Eligibility is based on age and length of service requirements and, in most cases, retirees must contribute to the cost of their coverage.

During each of the years ended December 31, 2015 and 2014, the Company made contributions of approximately \$0.1 million in each year to the Plan.

Plan assets are commingled and cannot be allocated to an individual company. The Plan's costs are first directly charged to the

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Company based on the Company's employees that participate in the Plan. Costs associated with affiliated service companies' employees are then allocated as part of the labor burden for work performed on the Company's behalf. The Company applies deferral accounting for pension and PBOP expenses associated with its regulated electric operations. Any differences between actual pension costs and amounts used to establish rates are deferred and collected from or refunded to customers in subsequent periods. Pension and PBOP expense is included in operations and maintenance expense in the accompanying statements of income.

The NGUSA companies' pension and PBOP plans that the Company participates in have unfunded obligations at December 31, 2015 and 2014 as follows:

	December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Pension	\$ 544,239	\$ 362,922
PBOP	420,196	273,584
	<u>\$ 964,435</u>	<u>\$ 636,506</u>

The Company's net pension and PBOP expenses directly charged and allocated from affiliated service companies, net of capital, for the years ended December 31, 2015 and 2014 are as follows:

	December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Pension	\$ 552	\$ 345
PBOP	216	177
	<u>\$ 768</u>	<u>\$ 522</u>

Defined Contribution Plan

NGUSA has a defined contribution pension plan that covers substantially all employees. For the years ended December 31, 2015 and 2014, the Company recognized an expense in the accompanying statements of income of \$37 thousand and \$40 thousand, respectively, for matching contributions.

Other Benefits

The Company accrued \$0.1 million and \$0.1 million for the years ended December 31, 2015 and 2014 regarding workers compensation, auto and general insurance claims which have been incurred but not yet reported.

8. CAPITALIZATION

Debt Authorizations

The Company has short-term borrowing authority for \$15 million through January 11, 2017.

Effective April 2014, the Company entered into an Equity Contribution Agreement with the Parent which provides the Company with the ability to call upon the Parent for contributions to the Company's capital, in an aggregate amount equal to the short-term borrowing limit until such time as regulatory approval for short-term borrowing is regained. The Company did not make use of this Equity Contribution Agreement. Since the Company has regained its short-term borrowing authority, as of January 12, 2015, the Equity Contribution Agreement is no longer in effect. The Company had no short-term debt outstanding to third parties as of

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

December 31, 2015 or 2014.

Long-term Debt

At December 31, 2015, the Company had approximately \$51.7 million outstanding of Electric Revenue Bonds in tax exempt commercial paper mode with maturity dates ranging from 2016 through 2042. The debt is remarketed at periods of 1-270 days, and had variable interest rates ranging from 0.06% to 0.63% and from 0.26% to 0.40% for the years ended December 31, 2015 and 2014, respectively. The bonds were issued by the Massachusetts Development Finance Agency in connection with the Company's financing of its first and second underground and submarine cable projects. A sinking fund payment of \$330 thousand was made during the year ended December 31, 2015.

The Company has a Standby Bond Purchase Agreement ("SBPA") of \$52.6 million which expired on November 20, 2015. In November 2014, the SBPA was renewed and is due to expire on November 20, 2019. This agreement was available to provide liquidity support for approximately \$52 million of the Company's long-term bonds in tax-exempt commercial paper mode. The Company has classified this debt as long-term due to its intent and ability to refinance the debt on a long-term basis if it is not able to remarket it. At December 31, 2015 and 2014, there were no bond purchases made by the banks participating in this agreement.

Massachusetts Electric, an affiliated entity, unconditionally guarantees the full and prompt payment of the principal, premium, if any, and interest on certain tax exempt bonds issued by the Massachusetts Development Finance Agency in connection with the Company's financing of its first and second underground and submarine cable projects. Massachusetts Electric would be required to make any principal, premium, or interest payments if the Company failed to pay.

Long-term debt at December 31, 2015 and December 31, 2014 is as follows:

			<u>December 31,</u>	
	<u>Rate</u>	<u>Maturity</u>	<u>2015</u>	<u>2014</u>
			<i>(in thousands of dollars)</i>	
2004 MDFA Tax Exempt (progressive annual sinker)	Variable	March 1, 2016	\$ 365	\$ 695
2004 MDFA Tax Exempt	Variable	March 1, 2039	10,000	10,000
2005 MDFA Tax Exempt	Variable	December 1, 2040	28,000	28,000
2007 MDFA Tax Exempt	Variable	August 1, 2042	<u>13,300</u>	<u>13,300</u>
Total long-term debt			\$ 51,665	\$51,995

The aggregate maturities of long-term debt subsequent to December 31, 2015 are as follows:

<i>(in thousands of dollars)</i>		
<u>Years Ending December 31,</u>		
2016	\$	365
2017		-
2018		-
2019		-
2020		-
Thereafter		51,300
Total	<u>\$</u>	<u>51,665</u>

Dividend Restrictions

The Company is obligated to meet certain financial and non-financial covenants as described below. The Company was in compliance with all such covenants during the years ended December 31, 2015 and 2014.

Pursuant to provisions in connection with the New England Electric System and Eastern Utilities Associates merger, payment of dividends on common stock are not permitted if, after giving effect to such payment of dividends, common equity becomes less than

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

30% of total capitalization. At December 31, 2015 and 2014 common equity was 49% and 39% of total capitalization, respectively. Under these provisions, none of the Company's retained earnings at December 31, 2015 and 2014 were restricted as to common dividends.

9. INCOME TAXES

Components of Income Tax Expense

The components of federal and state income tax expense are as follows:

	Years Ended December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Current tax expense (benefit):		
Federal	\$ 1,548	\$ 1,452
State	380	649
Total current tax expense (benefit)	1,928	2,101
Deferred tax expense:		
Federal	129	(113)
State	37	(27)
Total deferred tax expense	166	(140)
Total income tax expense	\$ 2,094	\$ 1,961
Total income taxes in the statements of income:		
Income taxes charged to operations	\$ 2,104	\$ 1,915
Income taxes credited to other income (deductions)	(10)	46
Total	2,094	1,961

Statutory Rate Reconciliation

The Company's effective tax rates for the years ended December 31, 2015 and 2014 are 39.5% and 42.4%, respectively. The following table presents a reconciliation of income tax expense at the federal statutory tax rate of 35% to the actual tax expense:

	Years Ended December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Computed tax	\$ 1,856	\$ 1,617
Change in computed taxes resulting from:		
State income tax, net of federal benefit	271	404
Adjustments related to prior year, federal and state	-	(28)
Other items, net	(33)	(32)
Total	238	344
Federal and state income taxes	\$ 2,094	\$ 1,961

The Company is included in the NGNA and subsidiaries consolidated federal income tax return. The Company has joint and several liabilities for any potential assessments against the consolidated group.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

In September 2013, the U.S. Department of the Treasury issued final tangible property regulations which provide guidance for the application of Internal Revenue Code ("IRC") §162(a) and IRC §263(a) to amounts paid to acquire, produce, or improve tangible property. In August 2014, the U.S. Department of the Treasury also finalized the depreciable property disposition regulations. Both sets of regulations become effective for tax years beginning on or after January 1, 2014, which, for the Company, is the fiscal year ended March 31, 2015. The Company adopted these regulations with its fiscal year 2015 federal tax return and has realized a favorable §481(a) adjustment of \$299 thousand related to dispositions of depreciable property.

On July 24, 2013, Massachusetts legislature enacted into law transportation finance legislation which included significant tax changes affecting the classification of utility corporations. For tax years beginning on or after January 1, 2014, Massachusetts utility corporations will be taxed in the same manner as general business corporations. The state income tax rate will increase from 6.5% to 8.0%. Also, any unitary net operating loss generated post-2013 and allocated to the utilities will be allowed as a carry forward tax attribute. As of March 31, 2014, all state deferred tax balances at the regulated utilities were remeasured to the 8% rate, resulting in an increase in deferred tax liabilities of \$313 thousand with an offset to regulatory deferred tax asset. The application of this legislation is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

Deferred Tax Components

	December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Deferred tax assets:		
Regulatory liabilities - other	\$ 8,982	\$ 8,206
Pensions, OPEB and other employee benefits	2,959	2,221
Future federal benefit on state taxes	578	566
Other items	(1,005)	150
Total deferred tax assets ⁽¹⁾	11,514	11,143
Deferred tax liabilities:		
Property related differences	18,377	17,984
Regulatory assets - pension and OPEB	2,506	1,796
Regulatory assets - other	1,077	1,533
Investments	52	49
Other items	37	153
Total deferred tax liabilities	22,049	21,515
Net deferred income tax liability	10,535	10,372

(1) There were no valuation allowances for deferred tax assets at December 31, 2015 or 2014.

Unrecognized Tax Benefits

The Company adopted the provisions of FASB guidance which clarifies the accounting for uncertain tax positions as modified by FERC Docket AI07-2-000. FASB guidance provides that the financial effects of a tax position shall initially be recognized when it is more likely than not, based on the technical merits, that the position will be sustained upon examination, assuming the position will be audited and the taxing authority has full knowledge of all relevant information. FERC docket AI07-2-000 issues supplementary guidance requiring entities to continue to recognize deferred income taxes for Commission accounting and reporting purposes based on the difference between positions taken in tax returns filed or expected to be filed and amounts reported in the financial statements. As of December 31, 2015 and 2014, the Company did not have any unrecognized tax benefits on a FERC basis.

The following table represents changes to the Company's unrecognized tax benefits:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

	Years Ended December 31,	
	2015	2014
	<i>(in thousands of dollars)</i>	
Beginning balance	\$ 1,339	\$ 1,229
Gross increases related to prior period	220	\$ 193
Gross decreases related to prior period	-	\$ -
Gross increases related to current period	42	-
Gross decreases related to current period	-	(83)
Settlements with tax authorities	-	-
Reductions due to lapse of statute of limitations	-	-
Ending balance	\$ 1,601	\$ 1,339
Less: unrecognized tax benefits on temporary difference	1,601	1,339
Ending balance	\$ -	\$ -

As of December 31, 2015 and 2014, the Company has accrued for interest related to unrecognized tax benefits of \$174.8 thousand and \$119.3 thousand respectively. During years ended December 31, 2015 and 2014, the Company recorded interest expense of \$55.5 thousand and \$118.9 thousand, respectively. The Company recognizes interest related to unrecognized tax benefits in other interest, including affiliate interest and related penalties, if applicable, in other deductions, net in the accompanying statements of income. No tax penalties were recognized during the years ended December 31, 2015 or 2014.

It is reasonably possible that other events will occur during the next twelve months that would cause the total amount of unrecognized tax benefits to increase or decrease. However, the Company does not believe any such increases or decreases would be material to its results of operations, financial position, or cash flows.

Federal income tax returns have been examined and all appeals and issues have been agreed with the Internal Revenue Service ("IRS") and the NGNA consolidated filing group, through March 31, 2007.

During the year ended March 31, 2014, the IRS concluded its examination of the NGNA consolidated filing group's corporate income tax returns for the years ended March 31, 2008 through 2009. These examinations were completed on March 31, 2014, with an agreement on the majority of income tax issues for the years referenced above, as well as an acknowledgment that certain discrete items remain disputed. NGNA is in the process of appealing these disputed issues with the IRS Office of Appeals. The Company does not anticipate a change in its unrecognized tax positions in the next twelve months as a result of the appeals. However, pursuant to the Company's tax sharing agreement, the audit or appeals may result in a change to allocated tax. The tax returns for the years ended March 31, 2010 through March 31, 2015 remain subject to examination by the IRS.

The Company is a member of the NGUSA Service Company Massachusetts unitary group since fiscal year ended March 31, 2010. The tax returns for the fiscal years ended March 31, 2010 through March 31, 2015 remain subject to examination by the state of Massachusetts.

The following table indicates the earliest tax year subject to examination for each major jurisdiction:

Jurisdiction	Tax Year
Federal	March 31, 2008
Massachusetts	March 31, 2010

10. COMMITMENTS AND CONTINGENCIES

Capital Expenditures

The Company has various capital commitments related to the construction of property, plant and equipment. The Company's

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

commitments under these contracts subsequent to December 31, 2015 are \$0.03 million, which is due to be spent within one year.

Legal Matters

The Company is subject to various legal proceedings, primarily injury claims, arising out of the ordinary course of its business. The Company does not consider any of such proceedings to be material, individually or in the aggregate, to its business or likely to result in a material adverse effect on its results of operations, financial position, or cash flows.

11. RELATED PARTY TRANSACTIONS

Advances from Affiliates

The Company had authorization to borrow up to \$10 million from NGUSA from time to time for working capital needs. In November 2014, the authorization was increased for an additional \$10 million for working capital needs until short term borrowing authority was regained. Since the Company has regained its short-term borrowing authority, as of January 12, 2015, the additional borrowing authorization is no longer in effect. The advance is non-interest bearing. At December 31, 2015 and 2014, the Company had an outstanding advance from affiliate of zero and \$20 million, respectively.

Accounts Receivable from and Accounts Payable to Associated Companies

NGUSA and its affiliates provide various services to the Company, including executive and administrative, customer services, financial (including accounting, auditing, risk management, tax, and treasury/finance), human resources, information technology, legal and strategic planning, that are charged between the companies and charged to each company.

The Company records short-term payables to and receivables from certain of its affiliates in the ordinary course of business. The amounts payable to and receivable from its affiliates do not bear interest and are settled through the intercompany money pool. A summary of outstanding accounts receivable from associated companies and accounts payable to associated companies balances is as follows:

	Accounts Receivable from Associates		Accounts Payable to Associates	
	December		December	
	2015	2014	2015	2014
	(in thousands of dollars)		(in thousands of dollars)	
NGUSA Service Company	\$ 9,097	4,852	\$ 227	\$ 3,926
Massachusetts Electric Co.		-	15,796	15,289
NG Engineering Svc, LLC	118	78	1	1
New England Power Co.	21	-	-	343
Narragansett Electric Co.	-	12	-	19
Boston Gas Company	-	8	4	4
Other	40	112	76	413
Total	<u>\$ 9,276</u>	<u>\$ 5,062</u>	<u>\$ 16,104</u>	<u>\$ 19,995</u>

Intercompany Money Pool

The settlement of the Company's various transactions with NGUSA and certain affiliates generally occurs via the intercompany money pool in which it participates. The Company is a participant in the Regulated Money Pool and can both borrow and invest funds. Borrowings from the Regulated Money Pool bear interest in accordance with the terms of the Regulated Money Pool Agreement. As the Company fully participates in the Regulated Money Pool rather than settling intercompany charges with cash, all

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

changes in the intercompany money pool balance and accounts receivable from affiliates and accounts payable to affiliates balances are reflected as investing or financing activities in the accompanying statements of cash flows. In addition, for the purpose of presentation in the statement of cash flows, it is assumed all amounts settled through intercompany money pool are constructive cash receipts and payments, and therefore are presented as such.

The Regulated Money Pool is funded by operating funds from participants. Collectively, NGUSA and its subsidiary, KeySpan have the ability to borrow up to \$3 billion from National Grid plc for working capital needs including funding of the intercompany money pools, if necessary. The Company had short-term intercompany money pool investments of \$54.1 million and \$73.7 million at December 31, 2015 and 2014, respectively. The average interest rates for the intercompany money pool were 0.7% and 0.3% for the years ended December 31, 2015 and 2014, respectively.

Related Party Reimbursement

In accordance with the Credit and Operating Support Agreement dated March 26, 1996, Massachusetts Electric will reimburse the Company an amount equal to the difference between the Company's actual net income for the year and the net income necessary for the Company to earn a return on equity ("ROE") equivalent to the Company's DPU approved weighted average allowed ROE for the fiscal year, currently 10.35%. This reimbursement shall constitute additional revenue to the Company and expense to Massachusetts Electric. If the Company's actual ROE for the year exceeds the Company's allowed ROE, the Company reimburses to Massachusetts Electric the excess amount of the earnings. For the years ended December 31, 2015 and December 31, 2014, Massachusetts Electric reimbursed the Company \$8.6 million and \$5.7 million, respectively.

Service Company Charges

The affiliated service companies of NGUSA provide certain services to the Company at their cost. The service company costs are generally allocated to associated companies through a tiered approach. First and foremost, costs are directly charged to the benefited company whenever practicable. Secondly, in cases where direct charging cannot be readily determined, costs are allocated using cost/causation principles linked to the relationship of that type of service, such as number of employees, number of customers/meters, capital expenditures, value of property owned, total transmission and distribution expenditures. Lastly, all other costs are allocated based on a general allocator determined using a 3-point formula based on net margin, net property, plant and equipment, and operations and maintenance expense.

Charges from the service companies of NGUSA to the Company for the years ended December 31, 2015 and 2014 were \$1.2 million and \$4.7 million, net of charges to the service company respectively.

Holding Company Charges

NGUSA received charges from National Grid Commercial Holdings Limited (an associated company in the U.K.) for certain corporate and administrative services provided by the corporate functions of National Grid plc to its U.S. subsidiaries. These charges, which are recorded on the books of NGUSA, have not been reflected on these financial statements. Were these amounts allocated to the Company, the estimated effect on net income would be \$110 thousand and \$137 thousand before taxes, and \$66 thousand and \$83 thousand after taxes, for the years ended December 31, 2015 and 2014, respectively.

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, <u>2015</u>
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PART IX: ALLOWANCES (Accounts 158.1 and 158.2)

- | | |
|--|--|
| <p>1. Report below the particulars (details) called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> | <p>4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(f), starting with the following year, and allowances for the remaining succeeding years in columns (g)-(i).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.</p> |
|--|--|

Line No	Allowance Inventory (Account 158.1) (a)	Current Year		20____	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
01	Balance--Beginning of Year	N/A			
02					
03	Acquired During Year:				
04	Issued (Less Withheld Allow.)				
05	Returned by EPA				
06					
07	Purchases/Transfers:				
08					
09					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other.				
20					
21	Cost of Sales Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds (Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld Account 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sale Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, <u>2015</u>
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PART IX: ALLOWANCES (Accounts 158.1 and 158.2) (Continued)

6. Report on line 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.

7. Report on lines 8-14 the names of vendors/transferees of allowances acquired and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).

8. Report lines 22-27 the names of purchasers/transferees of allowance disposed of and identify associated companies.

9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.

10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.

20____		19____		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								01
N/A								02
								03
								04
								05
								06
								07
								08
								09
								10
								11
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								46

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016		Year/Period of Report End of 2015/Q4	
OTHER REGULATORY ASSETS (Account 182.3)							
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.							
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.							
3. For Regulatory Assets being amortized, show period of amortization.							
Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)	
				Written off During the Quarter /Year Account Charged (d)	Written off During the Period Amount (e)		
1	Deferred Income Taxes	1,167,801	95,227	282/283	80,608	1,182,420	
2							
3	Default (Basic) Service	3,566,173	935,150	4491	2,366,223	2,135,100	
4							
5	Pension	2,274,435	1,398,044	253/184	371,160	3,301,319	
6							
7	OPEB	826,585	15,635	253/184	93,415	748,805	
8							
9	Pension Expense Deferred-Electric	1,074,195	526,090	456	54,431	1,545,854	
10							
11	Service Quality Penalties	16,878	17		16,896	-1	
12							
13	Retirement Plan-Purchase Accounting Adj		47,240	456		47,240	
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
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28							
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41							
42							
43							
44	TOTAL :	8,926,067	3,017,403		2,982,733	8,960,737	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 3 Column: a

Pursuant to the Company's Basic Service Adjustment Provision, the Company is allowed to recover costs associated with providing Basic Service to its customers. The cost of providing Basic Service includes payments to Basic Service suppliers, payments under renewable resource contracts entered into by the Company pursuant to § 83 of An Act Relative to Green Communities as approved by the Department, payments to the Independent System Operator-New England ("ISO-NE") for procuring Basic Service power, the cost of acquiring renewable energy certificates or remitting Alternate Compliance Payments to comply with the renewable portfolio standards established by Massachusetts law, and the FERC approved costs billed to the Company for the operation of the New England Power Pool ("NEPOOL") Generation Information System. The recovery of these costs is fully reconcilable with any over or under collection passed on to all customers.

Schedule Page: 232 Line No.: 5 Column: a

Pursuant to D.P.U. 09-39 the Company has been allowed to implement pension and PBOP mechanisms to collect non-capitalized pension and postretirement benefits other than pensions ("PBOP") through a separate billing factor referred to as the Pension and PBOP Adjustment Factor ("PAF"). A return on the average annual prepaid or unfunded pension and PBOP balance at the weighted average cost of capital will be recorded. Over or under collections will be surcharged or credited to customers over a three year period.

Schedule Page: 232 Line No.: 7 Column: a

Pursuant to D.P.U. 09-39, the Company has been allowed to implement pension and PBOP mechanisms to collect non-capitalized pension and postretirement benefits other than pensions ("PBOP") through a separate billing factor referred to as the Pension and PBOP Adjustment Factor ("PAF"). A return on the average annual prepaid or unfunded pension and PBOP balance at the weighted average cost of capital will be recorded. Over or under collections will be surcharged or credited to customers over a three year period.

Schedule Page: 232 Line No.: 9 Column: a

Pursuant to D.P.U. 09-39, the Company has been allowed to implement pension and PBOP mechanisms to collect non-capitalized pension and postretirement benefits other than pensions ("PBOP") through a separate billing factor referred to as the Pension and PBOP Adjustment Factor ("PAF"). A return on the average annual prepaid or unfunded pension and PBOP balance at the weighted average cost of capital will be recorded. Over or under collections will be surcharged or credited to customers over a three year period.

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President	Reed, Marcy L	618
2	Senior Vice President	Bruckner, John	963
3	Senior Vice President	Warren, Cheryl A	349
4			
5			
6			
7	Resignations		
8			
9	Director (05/15/2015)	Jordan, Marie (resigned 3/18/16)	733
10	Senior Vice President (10/07/2015)	Madej, James	832
11			
12			
13			
14			
15			
16	Appointments		
17			
18	Director, Senior Vice President (05/18/2015)	Bunszell, Daniel	
19			
20			
21			
22			
23			
24			
25			
26			
27			
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44			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$291,087. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Schedule Page: 104 Line No.: 2 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$273,479. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Schedule Page: 104 Line No.: 3 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$132,033. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Schedule Page: 104 Line No.: 9 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$256,612. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Schedule Page: 104 Line No.: 10 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$269,659. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Schedule Page: 104 Line No.: 18 Column: c

Salary disclosure includes amounts that have been allocated to Nantucket Electric Company (reporting entity). The salary amount allocated to other companies was \$180,177. These salary amounts exclude incentive compensation payments and reflect base salary paid by company from 1-1-2015 through 12-31-2015.

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, <u>2015</u>
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PART XI: DATA ON OFFICERS AND DIRECTORS

Report below the title and name of the officers and directors of the respondent (company) whose salaries were \$50,000 or more at the end of the report year (list officers first). If there were any changes during the year, report the title, name and address of the previous officer or director and date of change in the comments column. Designate by asterisk (*) officers who are directors; list other directors who are not officers. Report the salary (for the year) for each officer, and the fees for each director listed.

Line No	Name (a)	Address (b)	Number of Votes (c)	Comments (d)
01	Reed, Marcy L Bunszell, Daniel	Waltham, MA Brockton, MA		
02				
03				
04				
05				
06				
07				
08				
09				
10				
11				
12				
13				
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15				
16				
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19				
20				
21				
22				

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	47,669,278	47,669,278		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	3,870,362	3,870,362		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing				
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	3,870,362	3,870,362		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	2,738,633	2,738,633		
13	Cost of Removal	737,719	737,719		
14	Salvage (Credit)				
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	3,476,352	3,476,352		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	48,063,288	48,063,288		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production				
25	Transmission				
26	Distribution	43,215,886	43,215,886		
27	Regional Transmission and Market Operation				
28	General	4,847,402	4,847,402		
29	TOTAL (Enter Total of lines 20 thru 28)	48,063,288	48,063,288		

Name of Respondent NANTUCKET ELECTRIC COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 29-Mar-16	Year of Report December 31, 2015
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PART XII: ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Line No.	Name of Utility Department (a)	Balance at Beginning of Year (b)	Depreciation and Amortization Accruals for Year (c)	Net Charges for Plant Retired During Year (d)	Other Items Debit or Credit (Explain in Footnote) (e)	Balance at End of Year (f)
01	ELECTRIC (110)					
02	Other Utility Department (119) (Specify):					
03						
04						
05						
06						
07						

PART XIII: CAPITAL STOCK DATA

(Column f refers to total amount outstanding without reduction for amounts held by respondent. Omit cents)

Line No.	Class and Series of Stock (a)	Number of Shares Authorized (b)	Par Value Per Share of Par Value Stock (c)	Stated Value Per Share of Nonpar Stock (d)	Outstanding Per Balance Sheet	
					Shares (e)	Amount (f)
01	Common Stock	1	\$1	N/A	1	\$1
02						
03						
04						
05						
06						
07						
08						
09						

PART XIV: LONG-TERM DEBT DATA

Line No.	Class and Series of Obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding Per Balance Sheet (d)	Interest for Year	
					% Rate (e)	Amount (f)
01	Massachusetts Industrial					
02	Finance Agency - Electric					
03	Utility Revenue Bonds -					
04	Series A	8/1/2007	8/1/2042	13,300,000	0.41%	54,630
05	Massachusetts Development					
06	Finance Agency - variable rate					
07	Utility Revenue Bonds -					
08	Series 2004	12/16/2004	3/1/2039	10,000,000	0.40%	40,491
09	Massachusetts Development					
10	Finance Agency - variable rate					
11	Utility Revenue Bonds -					
12	Series 2004	12/16/2004	3/1/2016	365,000	0.47%	1,977
13	Massachusetts Development					
14	Finance Agency - variable rate					
15	Utility Revenue Bonds -					
16	Series 2005	12/8/2005	12/1/2040	28,000,000	0.40%	112,652
17						
18						
	TOTAL			\$51,665,000		\$209,750

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4	
OTHER REGULATORY LIABILITIES (Account 254)						
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes. 3. For Regulatory Liabilities being amortized, show period of amortization.						
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Deferred Income Taxes	818,118	182/192			818,118
2	Energy Efficiency	6,476,936	451	2,501,891	2,177,658	6,152,703
3	Transmission Service	10,208,458	456	167,028	1,327,555	11,368,985
4	Transition Charge	80,105	456	36,222	53,864	97,747
5	Basic Service Administrative Cost	710,955	456		286,066	997,021
6	Revenue Decoupling Mechanism	580,370	456	667,539	897,639	810,470
7	2nd Cable Deferral (2006-2013)	1,044,887	456	37,493	406,565	1,413,959
8	Service Quality Penalty		426	35,455	78,206	42,751
9						
10						
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41	TOTAL	19,919,829		3,445,628	5,227,553	21,701,754

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Schedule Page: 278 Line No.: 2 Column: a

Pursuant to Massachusetts law and the Company's Energy Efficiency Provision, the Company administers an Energy Efficiency ("EE") plan and is allowed to recover the cost of that plan through a combination of a base EE Charge of 0.250¢ per kWh plus (1) amounts generated by the Forward Capacity Market program administered by the Independent System Operator-New England; (2) cap and trade pollution control programs, including, but not limited to, not less than 80 per cent of amounts generated by the carbon dioxide allowance trading mechanism established under the Regional Greenhouse Gas Initiative Memorandum of Understanding, and the NOx Allowance Trading Program; and (3) other funding as approved by the Department. The Company's annual Energy Efficiency Reconciling Factors ("EERFs") are designed to collect the estimated incremental costs of the Company's proposed EE programs for the year which represents those costs that are in excess of the expected funding. EE costs, including an allowance for performance based shareholder incentives, are fully reconcilable, and any over or under recovery of costs is passed on to all customers.

Schedule Page: 278 Line No.: 3 Column: a

The Company arranges transmission service on behalf of its customers. Pursuant to the Company's Transmission Service Cost Adjustment Provision, the Company is allowed to recover the cost it incurs in arranging that transmission service as billed to the Company by its affiliate, New England Power Company, any other transmission provider, the New England Power Pool, a regional transmission group, an independent system operator or any other entity that is authorized to bill the Company directly for transmission services. Transmission service costs are fully reconcilable and any over or under recoveries are passed on to customers receiving transmission service through the Company.

Schedule Page: 278 Line No.: 4 Column: a

Pursuant to Massachusetts law and the Company's Transition Cost Adjustment Provision, the Company is to be authorized to recover costs charged by the Company's affiliate New England Power ("NEP"), for stranded costs associated with NEP's former electric generation investments. The Transition Charge is fully reconcilable and any over or under recovery of costs are passed on to customers.

Schedule Page: 278 Line No.: 5 Column: a

Pursuant to the Company's Basic Service Adjustment Provision, the Company is allowed to recover the costs, including administrative costs, incurred by the Company in arranging Basic Service, including uncollectible costs associated with the amounts the Company bills for Basic Service supply, the administrative costs of complying with the requirements of Renewable Energy Portfolio Standards pursuant to 225 CMR14, cash working capital and other administrative costs associated with arranging Basic Service. The recovery of these costs is fully reconcilable with any over or under collection passed on to all customers.

Schedule Page: 278 Line No.: 6 Column: a

Pursuant to Massachusetts law and the Company's Revenue Decoupling Mechanism ("RDM") Provision, the Company is operating under an RDM by which its actual distribution revenue is measured against a target level of distribution revenue as established in the Company's most recent rate case. Any difference between actual distribution revenue and the revenue target is passed on to all customers. In addition, the Company's RDM includes a Capital Investment Recovery Mechanism by which it can begin to recover, on a one year lag, capital investment placed into service up to a maximum of \$170 million annually.

Schedule Page: 278 Line No.: 7 Column: a

Pursuant to D.T.E./D.P.U. Docket 06-106-A, approved by the Department of Public Utilities, the Cable Facilities Surcharge recovery mechanism for the combined first and second undersea cables (respectively "First Cable" and "Second Cable") to the island of Nantucket established individual class and seasonal CFS rates which averaged 2.584¢ per kilowatthour ("kWh") for 2007. The recovery mechanism was intended to smooth out the recovery of the Second Cable, which was placed in service on April 18, 2006, and mitigated the immediate

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Nantucket Electric Company			
FOOTNOTE DATA			

customer rate impacts by deferring costs in the first several years and recovering such deferrals in later years.

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	11,709,800	9,606,886
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	2,992,183	2,683,548
5	Large (or Ind.) (See Instr. 4)	1,288	44,998
6	(444) Public Street and Highway Lighting	9,422	7,416
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	14,712,693	12,342,848
11	(447) Sales for Resale		
12	TOTAL Sales of Electricity	14,712,693	12,342,848
13	(Less) (449.1) Provision for Rate Refunds	2,029,243	819,841
14	TOTAL Revenues Net of Prov. for Refunds	12,683,450	11,523,007
15	Other Operating Revenues		
16	(450) Forfeited Discounts	18,576	10,670
17	(451) Miscellaneous Service Revenues	3,295,134	2,018,379
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	446,749	488,016
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	19,801,523	15,670,007
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	23,561,982	18,187,072
27	TOTAL Electric Operating Revenues	36,245,432	29,710,079

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
100,676	100,527	10,972	11,287	2
				3
27,318	29,549	1,313	1,351	4
17	527	3	3	5
80	79	5	5	6
				7
				8
				9
128,091	130,682	12,293	12,646	10
				11
128,091	130,682	12,293	12,646	12
				13
128,091	130,682	12,293	12,646	14

Line 12, column (b) includes \$ 736,128 of unbilled revenues.

Line 12, column (d) includes -2,029,243 MWH relating to unbilled revenues

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report 2015/Q4
Nantucket Electric Company			
FOOTNOTE DATA			

Schedule Page: 300 Line No.: 17 Column: b

Open Access Revenue-Demand Side Management	(2,519,343)
Open Access Revenue-Customer Charge	769,469
Miscellaneous Service Revenue-Electric	6,323

	3,295,134

Schedule Page: 300 Line No.: 17 Column: c

Open Access Revenue-Demand Side Management	1,237,377
Open Access Revenue-Customer Charge	766,889
Miscellaneous Service Revenue-Electric	14,113

	2,018,379

Schedule Page: 300 Line No.: 21 Column: b

Massachusetts Electric ROE Reimbursement	(8,568,451)
Open Access Revenue-Access Charge	207,990
Open Access Revenue-Transmission	(2,719,855)
Open Access Revenue-Distribution	(8,803,675)
Open Access Revenue-Decoupling	230,100
Other Electric Revenue - Miscellaneous	(113,309)
Contribution in aid of Construction	(34,323)

	19,801,523

Schedule Page: 300 Line No.: 21 Column: c

Massachusetts Electric ROE Reimbursement	5,699,318
Open Access Revenue-Access Charge	176,647
Open Access Revenue-Transmission	2,407,938
Open Access Revenue-Distribution	7,350,047
Open Access Revenue-Decoupling	(149,960)
Other Electric Revenue - Miscellaneous	158,528
Contribution in aid of Construction	27,489

	15,670,007

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
1	1. POWER PRODUCTION EXPENSES				
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision and Engineering				
5	(501) Fuel				
6	(502) Steam Expenses				
7	(503) Steam from Other Sources				
8	(Less) (504) Steam Transferred-Cr.				
9	(505) Electric Expenses				
10	(506) Miscellaneous Steam Power Expenses				
11	(507) Rents				
12	(509) Allowances				
13	TOTAL Operation (Enter Total of Lines 4 thru 12)				
14	Maintenance				
15	(510) Maintenance Supervision and Engineering				
16	(511) Maintenance of Structures				
17	(512) Maintenance of Boiler Plant				
18	(513) Maintenance of Electric Plant				
19	(514) Maintenance of Miscellaneous Steam Plant				
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)				
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)				
22	B. Nuclear Power Generation				
23	Operation				
24	(517) Operation Supervision and Engineering				
25	(518) Fuel				
26	(519) Coolants and Water				
27	(520) Steam Expenses				
28	(521) Steam from Other Sources				
29	(Less) (522) Steam Transferred-Cr.				
30	(523) Electric Expenses				
31	(524) Miscellaneous Nuclear Power Expenses				
32	(525) Rents				
33	TOTAL Operation (Enter Total of lines 24 thru 32)				
34	Maintenance				
35	(528) Maintenance Supervision and Engineering				
36	(529) Maintenance of Structures				
37	(530) Maintenance of Reactor Plant Equipment				
38	(531) Maintenance of Electric Plant				
39	(532) Maintenance of Miscellaneous Nuclear Plant				
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)				
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)				
42	C. Hydraulic Power Generation				
43	Operation				
44	(535) Operation Supervision and Engineering				
45	(536) Water for Power				
46	(537) Hydraulic Expenses				
47	(538) Electric Expenses				
48	(539) Miscellaneous Hydraulic Power Generation Expenses				
49	(540) Rents				
50	TOTAL Operation (Enter Total of Lines 44 thru 49)				
51	C. Hydraulic Power Generation (Continued)				
52	Maintenance				
53	(541) Maintenance Supervision and Engineering				
54	(542) Maintenance of Structures				
55	(543) Maintenance of Reservoirs, Dams, and Waterways				
56	(544) Maintenance of Electric Plant				
57	(545) Maintenance of Miscellaneous Hydraulic Plant				
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)				
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)				

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering				
63	(547) Fuel				463
64	(548) Generation Expenses				
65	(549) Miscellaneous Other Power Generation Expenses				113
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)				576
68	Maintenance				
69	(551) Maintenance Supervision and Engineering				
70	(552) Maintenance of Structures				
71	(553) Maintenance of Generating and Electric Plant				
72	(554) Maintenance of Miscellaneous Other Power Generation Plant				
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)				
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)				576
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	12,512,754			11,699,659
77	(556) System Control and Load Dispatching				
78	(557) Other Expenses				
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	12,512,754			11,699,659
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	12,512,754			11,700,235
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering				
84					
85	(561.1) Load Dispatch-Reliability				
86	(561.2) Load Dispatch-Monitor and Operate Transmission System				
87	(561.3) Load Dispatch-Transmission Service and Scheduling				
88	(561.4) Scheduling, System Control and Dispatch Services	96,596			78,501
89	(561.5) Reliability, Planning and Standards Development				
90	(561.6) Transmission Service Studies				
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services				
93	(562) Station Expenses	493			1,181
94	(563) Overhead Lines Expenses				
95	(564) Underground Lines Expenses				
96	(565) Transmission of Electricity by Others	2,623,178			2,329,456
97	(566) Miscellaneous Transmission Expenses	13,169			257
98	(567) Rents				
99	TOTAL Operation (Enter Total of lines 83 thru 98)	2,733,436			2,409,395
100	Maintenance				
101	(568) Maintenance Supervision and Engineering	133			97
102	(569) Maintenance of Structures				
103	(569.1) Maintenance of Computer Hardware				
104	(569.2) Maintenance of Computer Software				
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment				
108	(571) Maintenance of Overhead Lines				
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant				
111	TOTAL Maintenance (Total of lines 101 thru 110)	133			97
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	2,733,569			2,409,492

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
113	3. REGIONAL MARKET EXPENSES				
114	Operation				
115	(575.1) Operation Supervision				
116	(575.2) Day-Ahead and Real-Time Market Facilitation				
117	(575.3) Transmission Rights Market Facilitation				
118	(575.4) Capacity Market Facilitation				
119	(575.5) Ancillary Services Market Facilitation				
120	(575.6) Market Monitoring and Compliance				
121	(575.7) Market Facilitation, Monitoring and Compliance Services				
122	(575.8) Rents				
123	Total Operation (Lines 115 thru 122)				
124	Maintenance				
125	(576.1) Maintenance of Structures and Improvements				
126	(576.2) Maintenance of Computer Hardware				
127	(576.3) Maintenance of Computer Software				
128	(576.4) Maintenance of Communication Equipment				
129	(576.5) Maintenance of Miscellaneous Market Operation Plant				
130	Total Maintenance (Lines 125 thru 129)				
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)				
132	4. DISTRIBUTION EXPENSES				
133	Operation				
134	(580) Operation Supervision and Engineering	19,561	5,427		
135	(581) Load Dispatching	32,903	32,367		
136	(582) Station Expenses	42,787	22,751		
137	(583) Overhead Line Expenses	93,023	122,144		
138	(584) Underground Line Expenses	266,246	51,512		
139	(585) Street Lighting and Signal System Expenses	126	186		
140	(586) Meter Expenses	86,768	136,376		
141	(587) Customer Installations Expenses	4,306	54,727		
142	(588) Miscellaneous Expenses	205,062	295,682		
143	(589) Rents	428	2,992		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	751,210	724,164		
145	Maintenance				
146	(590) Maintenance Supervision and Engineering	102,799	16,078		
147	(591) Maintenance of Structures	12,257	5,241		
148	(592) Maintenance of Station Equipment	115,520	56,242		
149	(593) Maintenance of Overhead Lines	2,758,682	593,379		
150	(594) Maintenance of Underground Lines	230,106	67,552		
151	(595) Maintenance of Line Transformers	9,260	1,003		
152	(596) Maintenance of Street Lighting and Signal Systems	39,489	37,597		
153	(597) Maintenance of Meters		2		
154	(598) Maintenance of Miscellaneous Distribution Plant	19,394	-191		
155	TOTAL Maintenance (Total of lines 146 thru 154)	3,287,507	776,903		
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	4,038,717	1,501,067		
157	5. CUSTOMER ACCOUNTS EXPENSES				
158	Operation				
159	(901) Supervision	10,427	4,427		
160	(902) Meter Reading Expenses	44,414	55,363		
161	(903) Customer Records and Collection Expenses	235,505	232,999		
162	(904) Uncollectible Accounts	63,173	129,881		
163	(905) Miscellaneous Customer Accounts Expenses	12,565	5,686		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	366,084	428,356		

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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
166	Operation				
167	(907) Supervision				
168	(908) Customer Assistance Expenses	2,101,208	695,100		
169	(909) Informational and Instructional Expenses	259,919	213,145		
170	(910) Miscellaneous Customer Service and Informational Expenses	9,965	20,066		
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	2,371,092	928,311		
172	7. SALES EXPENSES				
173	Operation				
174	(911) Supervision				
175	(912) Demonstrating and Selling Expenses	10,744	11,704		
176	(913) Advertising Expenses	4,539	32,267		
177	(916) Miscellaneous Sales Expenses				
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	15,283	43,971		
179	8. ADMINISTRATIVE AND GENERAL EXPENSES				
180	Operation				
181	(920) Administrative and General Salaries	801,168	659,179		
182	(921) Office Supplies and Expenses	686,311	450,660		
183	(Less) (922) Administrative Expenses Transferred-Credit				
184	(923) Outside Services Employed	324,480	583,110		
185	(924) Property Insurance	185	40,015		
186	(925) Injuries and Damages	212,652	-257,366		
187	(926) Employee Pensions and Benefits	1,296,259	1,222,604		
188	(927) Franchise Requirements				
189	(928) Regulatory Commission Expenses	67,817	58,827		
190	(929) (Less) Duplicate Charges-Cr.				
191	(930.1) General Advertising Expenses	1,551	6,315		
192	(930.2) Miscellaneous General Expenses	22,143	119,351		
193	(931) Rents	447,419	394,212		
194	TOTAL Operation (Enter Total of lines 181 thru 193)	3,859,985	3,276,907		
195	Maintenance				
196	(935) Maintenance of General Plant	4,948	10,646		
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	3,864,933	3,287,553		
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	25,902,432	20,298,985		

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, 2015
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PART XVIII: SALES FOR RESALE

- | | |
|---|---|
| <p>1. Report below the information called for concerning sales for resale during the year to other electric utilities, cooperatives, and to cities and other public authorities for distribution to ultimate consumers.</p> <p>2. Enter the name of the purchaser in column (a). Abbreviate if necessary but do not truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with each purchaser.</p> <p>3. In column (b), identify the FERC Rate Schedule or Tariff Number.</p> | <p>4. Report annual maximum demand in column (c). Demand must be in megawatts. Footnote any demand reported in column (c) which is not stated on a megawatt basis and explain.</p> <p>5. Report in column (d) the megawatt-hours shown on bills rendered to each purchaser.</p> <p>6. Report in column (e) the total charge shown on bills rendered to each purchaser.</p> <p>7. Footnote entries as required and provide explanations following all required data.</p> |
|---|---|

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	FERC Rate Schedule or Tariff Number (b)	Annual Maximum Demand (MW) (c)	Megawatt-hours Sold (MWH) (d)	Revenues (\$) (e)
1	N/A				
2					
3					
4					
5					
6					
7					
8					
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11					
12					
13					
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Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Constellation	OS	1			
2	Energy America	RQ	1			
3	TransCanada Power Marketing Ltd	RQ	1			
4	Hess Corp	RQ	1			
5	DTE Energy	RQ	1			
6	NextEra Marketing	RQ	1			
7	GDF	RQ	1			
8	Direct Energy	RQ				
9						
10						
11						
12						
13						
14						
	Total					

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4				
PURCHASED POWER (Account 555), (Continued) (Including power exchanges)							
<p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>							
MegaWatt Hours Purchased (g)	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	Line No.
61,847				5,297,660	-282,938	5,014,722	1
12,507				1,788,998		1,788,998	2
31,767				2,442,182		2,442,182	3
-66				-11,192		-11,192	4
14,524				957,145		957,145	5
9,743				472,240		472,240	6
4,570				772,082		772,082	7
4,923				1,076,576		1,076,576	8
							9
							10
							11
							12
							13
							14
139,815				12,795,691	-282,938	12,512,753	

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	113,398,072	113,398,072		
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	3,591,425	3,591,425		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	116,989,497	116,989,497		
9	Leased to Others				
10	Held for Future Use				
11	Construction Work in Progress	648,940	648,940		
12	Acquisition Adjustments	16,551,550	16,551,550		
13	Total Utility Plant (8 thru 12)	134,189,987	134,189,987		
14	Accum Prov for Depr, Amort, & Depl	48,909,282	48,909,282		
15	Net Utility Plant (13 less 14)	85,280,705	85,280,705		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	48,063,288	48,063,288		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant				
22	Total In Service (18 thru 21)	48,063,288	48,063,288		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	845,994	845,994		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	48,909,282	48,909,282		

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
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					32
					33

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant		
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)		
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	358,968	
38	(341) Structures and Improvements		
39	(342) Fuel Holders, Products, and Accessories		
40	(343) Prime Movers		
41	(344) Generators		
42	(345) Accessory Electric Equipment		
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	358,968	
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	358,968	

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights				
49	(352) Structures and Improvements				
50	(353) Station Equipment				
51	(354) Towers and Fixtures				
52	(355) Poles and Fixtures				
53	(356) Overhead Conductors and Devices				
54	(357) Underground Conduit				
55	(358) Underground Conductors and Devices				
56	(359) Roads and Trails				
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)				
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	1,172,585	26,873		
61	(361) Structures and Improvements	81,060			
62	(362) Station Equipment	16,844,485	111,498		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	6,961,694	-68,216		
65	(365) Overhead Conductors and Devices	3,930,833	994,404		
66	(366) Underground Conduit	14,180,968	278,690		
67	(367) Underground Conductors and Devices	49,952,885	1,889,687		
68	(368) Line Transformers	5,987,477	631,486		
69	(369) Services	5,344,102	880,391		
70	(370) Meters	1,106,309	90,669		
71	(371) Installations on Customer Premises				
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	440,285	41,488		
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	106,002,683	4,876,970		
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT				
77	(380) Land and Land Rights				
78	(381) Structures and Improvements				
79	(382) Computer Hardware				
80	(383) Computer Software				
81	(384) Communication Equipment				
82	(385) Miscellaneous Regional Transmission and Market Operation Plant				
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper				
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)				
85	6. GENERAL PLANT				
86	(389) Land and Land Rights	31,005			
87	(390) Structures and Improvements	2,525,669			
88	(391) Office Furniture and Equipment		38,849		
89	(392) Transportation Equipment				
90	(393) Stores Equipment				
91	(394) Tools, Shop and Garage Equipment	68,127	4,845		
92	(395) Laboratory Equipment	23,695			
93	(396) Power Operated Equipment				
94	(397) Communication Equipment	5,797,319			
95	(398) Miscellaneous Equipment				
96	SUBTOTAL (Enter Total of lines 86 thru 95)	8,445,815	43,694		
97	(399) Other Tangible Property				
98	(399.1) Asset Retirement Costs for General Plant				
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	8,445,815	43,694		
100	TOTAL (Accounts 101 and 106)	114,807,466	4,920,664		
101	(102) Electric Plant Purchased (See Instr. 8)				
102	(Less) (102) Electric Plant Sold (See Instr. 8)				
103	(103) Experimental Plant Unclassified				
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	114,807,466	4,920,664		

Name of Respondent Nantucket Electric Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
				3
				4
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				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
		-358,968		37
				38
				39
				40
				41
				42
				43
				44
		-358,968		45
		-358,968		46

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/29/2016	Year/Period of Report End of 2015/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
					48
					49
					50
					51
					52
					53
					54
					55
					56
					57
					58
					59
		358,968	1,558,426		60
		356,606	437,666		61
4,809			16,951,174		62
					63
136,642	-1		6,756,835		64
566,000			4,359,237		65
32,130	-1		14,427,527		66
1,372,332			50,470,240		67
257,031			6,361,932		68
259,617			5,964,876		69
30,772	2		1,166,208		70
					71
					72
20,448			461,325		73
					74
2,679,781		715,574	108,915,446		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
			31,005		86
	-1	-356,606	2,169,062		87
			38,849		88
					89
					90
	1		72,973		91
			23,695		92
					93
58,852			5,738,467		94
					95
58,852		-356,606	8,074,051		96
					97
					98
58,852		-356,606	8,074,051		99
2,738,633			116,989,497		100
					101
					102
					103
2,738,633			116,989,497		104

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 3/29/2016	Year of Report Dec 31, 2015
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PART XXII: PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of Scheduling, System Control and Dispatch services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

	Type of Ancillary Service (a)	Amount Purchased For the Year			Amount Sold For the Year		
		(b)	(c)	(d)	(e)	(f)	(g)
		Usage – Related Billing Determinant			Usage – Related Billing Determinant		
		Number of Units	Unit of Measure	Dollars	Number of Units	Unit of measure	Dollars
1	Scheduling, System Control and Dispatch	N/A					
2	Reactive Supply and Voltage	N/A					
3	Regulation and Frequency Response	N/A					
4	Energy Imbalance	N/A					
5	Operating Reserve - Spinning	N/A					
6	Operating Reserve - Supplemental	N/A					
7	Other	N/A					
8	Total	N/A					

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, 2015
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PART XXIII: Monthly Transmission System Peak Load

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

Name of System:

Line No.	(a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service - For Self (e)
1	January				
2	February				
3	March				
4	Total for Quarter 1				
5	April				
6	May				
7	June				
8	Total for Quarter 2				
9	July				
10	August				
11	September				
12	Total for Quarter 3				
13	October				
14	November				
15	December				
16	Total for Quarter 4				
17	Total for Year to Date/Year	N/A	N/A	N/A	N/A

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/29/2016	Year of Report Dec 31, 2015
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PART XXIII: Monthly Transmission System Peak Load (Continued)

Firm Network Service - For Others (f)	Long-Term Firm Point-to-Point Reservations (g)	Other Long-Term Firm service (h)	Short-Term Firm Point-to-Point Reservations (i)	Other Service (j)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
N/A	N/A	N/A	N/A	N/A	17

Name of Respondent Nantucket Electric Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo., Da., Yr.) 03/29/2016	Year/Period of Report End of 2015
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Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
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Transmission Studies

1	N/A				
2					
3					
4					
5					
6					
7					
8					
9					
10					

Generation Studies

11	N/A				
12					
13					
14					
15					
16					
17					
18					
19					
20					

Name of Respondent Nantucket Electric Company		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo., Da., Yr.) 03/29/2016	Year/Period of Report End of 2015
AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS					
1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements.					
Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8					
9					
10					
11					
12	Total	N/A	N/A	N/A	N/A

DEPARTMENT OF PUBLIC UTILITIES

This statement is filed in accordance with Chapter 164, Section 84A

CONDENSED FINANCIAL RETURN

FOR THE YEAR ENDED DECEMBER 31, 2015

FULL NAME OF COMPANY - NANTUCKET ELECTRIC COMPANY

LOCATION OF PRINCIPAL BUSINESS OFFICE - 40 Sylvan Road, Waltham, MA 02451

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME	\$	\$
Operating Revenues		
Operating Expenses:		
Operation Expense See Copy of Statement of Income Filed		
Maintenance Expense with the DPU Return, attached.		
Depreciation Expense		
Amortization of Utility Plant		
Amortization of Property Losses		
Amortization of Conversion Expenses		
Taxes Other Than Income Taxes		
Income Taxes		
Provisions for Deferred Federal Income Taxes		
Federal Income Taxes Deferred in Prior Years - Cr		
Total Operating Expenses		
Net Operating Revenues		
Income from Utility Plant Leased to Others		
Other Utility Operating Income		
Total Utility Operating Income		
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work		
Income from Nonutility Operations		
Nonoperating Rental Income		
Interest and Dividend Income		
Miscellaneous Nonoperating Income		
Total Other Income		
Total Income		
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization		
Other Income Deductions		
Total Income Deductions		
Income Before Interest Charges		
INTEREST CHARGES		
Interest on Long-Term Debt		
Amortization of Debt Discount and Expense		
Amortization of Premium on Debt - Credit		
Interest on Debt to Associated Companies		
Other Interest Expense		
Interest Charged to Construction - Credit		
Total Interest Charges		
Net Income		

NANTUCKET ELECTRIC COMPANY

FOR THE YEAR ENDED DECEMBER 31, 2015

BALANCE SHEET

See Copy of Balance Sheet Filed with the DPU Return Attached

Title of Account		Balance End of Year	
Title of Account		Balance End of Year	
UTILITY PLANT		\$	
Utility Plant			
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property.....			
Investment in Associated Companies.....			
Other Investments.....			
Special Funds.....			
Total Other Property and Investments			
CURRENT AND ACCRUED ASSETS			
Cash.....			
Special Deposits.....			
Working Funds.....			
Temporary Cash Investments.....			
Notes and Accounts Receivable.....			
Receivables from Associated Companies			
Materials and Supplies.....			
Prepayments.....			
Interest and Dividends Receivable.....			
Rents Receivable.....			
Accrued Utility Revenues.....			
Misc. Current and Accrued Assets.....			
Total Current and Accrued Assets....			
DEFERRED DEBITS			
Unamortized Debt Discount and Expense			
Extraordinary Property Losses.....			
Preliminary Survey and Investigation			
Charges.....			
Clearing Accounts.....			
Temporary Facilities.....			
Miscellaneous Deferred Debits.....			
Total Deferred Debits.....			
CAPITAL STOCK DISCOUNT AND EXPENSE			
Discount on Capital Stock.....			
Capital Stock Expense.....			
Total Capital Stock Discount and			
Expense.....			
REACQUIRED SECURITIES			
Reacquired Capital Stock.....			
Reacquired Bonds.....			
Total Reacquired Securities.....			
Total Assets and Other Debits.....			
PROPRIETARY CAPITAL CAPITAL STOCK		\$	
Common Stock Issued.....			
Preferred Stock Issued.....			
Capital Stock Subscribed.....			
Premium on Capital Stock.....			
Total.....			
SURPLUS			
Other Paid-In Capital.....			
Earned Surplus.....			
Surplus Invested in Plant.....			
Total.....			
Total Proprietary Capital.....			
LONG-TERM DEBT			
Bonds.....			
Advances from Associated Companies...			
Other Long-Term Debt.....			
Total Long-Term Debt.....			
CURRENT AND ACCRUED LIABILITIES			
Notes Payable.....			
Accounts Payable.....			
Payables to Associated Companies.....			
Customer Deposits.....			
Taxes Accrued.....			
Interest Accrued.....			
Dividends Declared.....			
Matured Long-Term Debt.....			
Matured Interest.....			
Tax Collections Payable.....			
Misc. Current and Accrued Liabilities...			
Total Current and Accrued Liabilities.			
DEFERRED CREDITS			
Unamortized Premium on Debt.....			
Customer Advances for Construction....			
Other Deferred Credits.....			
Total Deferred Credits.....			
RESERVES			
Reserves for Depreciation.....			
Reserves for Amortization.....			
Reserve for Uncollectible Accounts.....			
Operating Reserves.....			
Reserve for Depreciation and Amort...			
of Nonutility Property.....			
Reserves for Deferred Federal Income...			
Taxes.....			
Total Reserves.....			
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction.....			
Total Liabilities and Other Credits.....			

NOTES:

NANTUCKET ELECTRIC COMPANY

FOR THE YEAR ENDED DECEMBER 31, 2015

STATEMENT OF EARNED SURPLUS			
Unappropriated Earned Surplus (at beginning of period).....	\$		
Balance Transferred from Income.....			
Miscellaneous Credits to Surplus.....			
Miscellaneous Debits to Surplus.....			
Appropriations of Surplus.....			
Net Additions to Earned Surplus.....			
Dividends Declared -- Preferred Stock.....			
Dividends Declared -- Common Stock.....			
Unappropriated Earned Surplus (at end of period).....			
ELECTRIC OPERATING REVENUES			
Account	Operating Revenues		
	Amount for Year	Increase or (Decrease) from Preceding Year	
SALES OF ELECTRICITY	\$	\$	
Residential Sales.....	11,709,800	2,102,914	
Commercial and Industrial Sales.....			
Small (or Commercial).....	2,992,183	308,635	
Large (or Industrial).....	1,288	-43,710	
Public Street and Highway Lighting.....	9,422	2,006	
Other Sales to Public Authorities.....			
Sales to Railroad and Railways.....			
Interdepartmental Sales.....			
Miscellaneous Electric Sales.....			
Provision for Rate Refunds.....	-2,029,243	-1,209,402	
Total Sales to Ultimate Consumers.....	12,683,450	1,160,443	
Sales for Resale.....			
Total Sales of Electricity.....	12,683,450	1,160,443	
OTHER OPERATING REVENUES			
Forfeited Discounts.....	18,576	7,906	
Miscellaneous Service Revenues.....	3,295,134	1,276,755	
Sales of Water and Water Power.....			
Rent from Electric Property.....	446,749	-41,267	
Interdepartmental Rents.....			
Other Electric Revenues.....	19,801,523	4,131,516	
Total Other Operating Revenues.....	23,561,982	5,374,910	
Total Electric Operating Revenues.....	36,245,432	6,535,353	
SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES			
Functional Classification	Operation	Maintenance	Total
Power Production Expenses	\$	\$	\$
Electric Generation:			
Steam Power.....			
Nuclear Power.....			
Hydraulic Power.....			
Other Power.....			
Other Power Supply Expenses.....	12,512,754	0	12,512,754
Total Power Production Expenses.....	12,512,754	0	12,512,754
Transmission Expenses.....	2,733,436	133	2,733,569
Distribution Expenses.....	751,210	3,287,507	4,038,717
Customer Accounts Expenses.....	2,737,176		2,737,176
Sales Expenses.....	15,283		15,283
Administrative and General Expenses.....	3,859,985	4,948	3,864,933
Total Electric Oper. and Maint. Expenses	22,609,844	3,292,588	25,902,432

NANTUCKET ELECTRIC COMPANY

FOR THE YEAR ENDED DECEMBER 31, 2015

GAS OPERATING REVENUES		(Not Applicable)	
Account	Operating Revenues		
	Amount for Year	Increase of (Decrease) from Preceding Year	
SALES OF GAS			
Residential Sales.....	\$	\$	
Commercial and Industrial Sales.....			
Small (or Commercial).....			
Large (or Industrial).....			
Other Sales to Public Authorities.....			
Interdepartmental Sales.....			
Miscellaneous Gas Sales.....			
Total Sales to Ultimate Consumers.....			
Sales for Resale.....			
Total Sales of Gas.....			
OTHER OPERATING REVENUES			
Forfeited Discounts.....			
Miscellaneous Service Revenues.....			
Revenues from Transportation of Gas of Others.....			
Sales of Products Extracted from Natural Gas.....			
Revenues from Natural Gas Processed by Others.....			
Rent from Gas Property.....			
Interdepartmental Rents.....			
Other Gas Revenues.....			
Total Other Operating Revenues.....			
Total Gas Operating Revenues.....			
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES			
(Not Applicable)			
Functional Classification	Operation	Maintenance	Total
Steam Production.....	\$	\$	\$
Manufactured Gas Production.....			
Other Gas Supply Expenses.....			
Total Production Expenses.....			
Local Storage Expenses.....			
Transmission and Distribution Expenses.....			
Customer Accounts Expenses.....			
Sales Expenses.....			
Administrative and General Expenses.....			
Total Gas Operation and Maintenance Exp....			
<p>.....March 29, 2016....., I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.</p> <div style="text-align: right; margin-top: 20px;"> <p>Sharon Partridge</p> <p>-----</p> <p>VP, US Financial Controller</p> </div> <div style="text-align: right; margin-top: 20px;"> <p>Charles DeRosa</p> <p>-----</p> <p>VP, US and Treasurer</p> </div>			

TABLE OF CONTENTS

		Support
General Information	S1-S3	
Communities Served	S3	Page Center reports for EIA
Notes Receivable	S4	Balance Sheet - Zero bal
Accounts Receivable	S5	Balance Sheet
Production Fuel & Oil Stocks	S6	Balance Sheet - Zero bal
Deferred Losses From Disposition Of Utility Plant	S7	NA
Notes Payable	S8	
Payables to Associated Companies	S9	Balance Sheet
Deferred Gains from Disposition Of Utility Plant	S10	NA
Operating Reserves	S11	Accounts not used
Sales of Electricity To Utilimate Customers	S12	
Other Utility Operating Income	S13	Accounts not used
Overhead Distribution Lines Operated	S14	PowerPlan Report 1200 & 1201
Electric Distribution Services	S14	PowerPlan Report 1200 & 1201
Street Lamps Connected To System	S15	
Rate Schedule Information	S16	Previous filings
Advertising Expenses	S17	
Charges For Professional & Other Consulting Services	S18	
Deposits & Collateral	S19	
Signature Page	S20	N/A
Return on Equity	S21	Core Financials

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015
Nantucket Electric Company			

GENERAL INFORMATION

PRINCIPAL AND SALARIED OFFICERS
(As of December 31, 2015)

Titles	Names	Addresses	Annual Salaries
President and Director	Reed, Marcy L.	Waltham, MA	618
Senior Vice President	Bruckner, John	Hicksville, NY	963
Senior Vice President	Warren, Cheryl A	Albany, NY	349
Senior Vice President	Bunszell, Daniel	Brockton, MA	0

DIRECTORS*
(As of December 31, 2015)

Names	Addresses	Fees Paid During Year
Reed, Marcy L. Bunszell, Daniel	Waltham, MA Brockton, MA	618 0

* By General Laws, Chapter 164, Section 83, the Return must contain a "list of the names of all their salaried officers and the amount of the salary paid to each," and by Section 77, the Department is required to include in its annual report "the names and addresses of the principal officers and of the directors."

Name of Respondent	This Report Is:	Date of Report	Year of Report
Nantucket Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015

GENERAL INFORMATION - Continued

1. Corporate name of company making this report,
Nantucket Electric Company

2. Date of organization,
April 7, 1905

3. Date of incorporation,
March 28, 1905

4. Give location (including street and number) of principal business office:--
40 Sylvan Road, Waltham, Massachusetts 02451

5. Total number of stockholders, 1

6. Number of stockholders in Massachusetts, 1

7. Amount of stock held in Massachusetts, No. of shares, 1 \$ 1

8. Capital stock issued prior to June 5, 1894, No. of shares, None \$ None

9. Capital stock issued with approval of Board of Gas and Electric Light Commissioners or Department of Public Utilities since June 5, 1894, No. of shares, 1 \$ 1

Total 1 share, par value, \$1 outstanding December 31, 2015

<u>Class</u>	<u>No. Shares</u>	<u>Par Value</u>	<u>Amount</u>
Common	1	\$1	\$1
	----- 1		----- \$1

10. If any stock has been issued during the last fiscal period, give the date and terms upon which such issue was offered to the stockholders, and if the whole or any part of the issue was sold at auction, the date or dates of such sale or sales, the number of shares sold and the amounts realized therefrom.

None

11. Management Fees and Expenses During the Year.

List all individuals, corporations or concerns with whom the company has any contracts or agreement covering management or supervision of its affairs, such as accounting, financing, engineering, construction, purchasing, operation, etc., and show the total amount paid to each for the year.

National Grid USA Service Company, Inc., pursuant to an agreement, a copy of which is on file with the Massachusetts Department of Public Utilities, rendered various services in 2015 as requested, at the actual cost thereof, pursuant to rules and orders of the Federal Energy Regulatory Commission. See Page S18 for additional detail.

Name of Respondent	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015
Nantucket Electric Company			
GENERAL INFORMATION - Continued			
Names of the cities or towns in which the company supplies ELECTRICITY, with the number of customers' meters in each place.			
City or Town	Number of Customers' Meters December 31, 2015	City or Town	Number of Customers' Meters December 31, 2015
Nantucket	13,138		
		Total	13,138

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015		
Nantucket Electric Company					
NOTES RECEIVABLE (Account 141) (Not Applicable)					
1. Give the particulars called for below concerning notes receivable at end of year. 2. Give particulars of any note pledged or discounted. 3. Minor items may be grouped by classes, showing number of such items. 4. Designate any note the maker of which is a director, officer or other employee.					
Line No.	Name of Maker and Purpose for Which Received (a)	Date of Issue (b)	Date of Maturity (c)	Interest Rate (d)	Amount End of Year (e)
1					\$
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12	Total				\$

Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015

ACCOUNTS RECEIVABLE (Accounts 142,143)

1. Give the particulars called for below concerning accounts receivable at end of year.
2. Designate any account included in Account 143 in excess of \$5,000.

Line No.	Description (a)	Amount End of Year (b)
1	Customers (Account 142):	2,152,488
2	Electric (Includes \$ 0.00 Unbilled Revenue).....	
3		
4	Other Electric and Gas Utilities.....	
5	Other Accounts Receivable (Account 143):	
6	Officers and employees.....	
7	Due on subscriptions to capital stock (state class series	
8	of stock).....	
9		
10	Miscellaneous (group and describe by classes):	
11		
12	Miscellaneous Other	31,205
13	Union Billable Labor	429
14		<hr/>
15		31,634
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
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42		
43		
44		
45		
46		
47		
48		
49		
50		
51		
52		
53		
54		
55		
56	Total	\$2,184,122

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015		
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151) (Except Nuclear Materials) (Not Applicable)						
1. Report below the information called for concerning production fuel and oil stocks. 2. Show quantities in tons of 2,000 lbs., or Mcf, whichever unit of quantity is applicable. 3. Each kind of coal or oil should be shown separately. 4. Show electric fuels separately by specific use.						
Line No.	Item (a)	Total Cost (b)	Kinds of Fuel and Oil			
			Quantity (c)	Cost (d)	Quantity (e)	Cost (f)
1	On hand Beginning of Year					\$
2	Received During Year					
3	TOTAL					
4	Used During Year (Note A)					
5						
6						
7						
8	Sold or Transferred					
9	TOTAL DISPOSED OF					
10	BALANCE END OF YEAR					
Line No.	Item (g)		Kinds of Fuel and Oil - Continued			
			Quantity (h)	Cost (i)	Quantity (j)	Cost (k)
11	On hand Beginning of Year			\$		\$
12	Received During Year					
13	TOTAL					
14	Used During Year (Note A)					
15						
16						
17						
18	Sold or Transferred					
19	TOTAL DISPOSED OF					
20	BALANCE END OF YEAR					

Note A -- Indicate specific purpose for which used, e.g., Boiler Oil, Make Oil, Generator Fuel, etc.

Name of Respondent Nantucket Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) March 29, 2016		Year of Report December 31, 2015	
<p align="center">DEFERRED LOSSES FROM DISPOSITION OF UTILITY PLANT (Account 187)</p> <p>(Not Applicable)</p> <p>1. In column (a) give a brief description of property creating the deferred loss and the date the loss was recognized. Identify items by department where applicable.</p> <p>2. Losses on property with an original cost of less than \$50,000 may be grouped. The number of items making up the grouped amount shall be reported in column (a).</p> <p>3. In column (b) give date of Commisiion approval of journal entries. Where approval has not been received, give explanation following the respective item in column (a). (See Account 187, Deferred Losses From sale of Utility Plant.)</p>							
Line No.	Description of Property (a)	Date J.E. Approved (b)	Total Amount of Loss (c)	Balance Beginning of Year (d)	Current Year		Balance End of Year (g)
					Amortizations to Acc. 411,6 (e)	Additional Losses (f)	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25	Total		\$	\$	\$	\$	\$

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		March 29, 2016		December 31, 2015	
<p align="center">NOTES PAYABLE (Account 231)</p> <p align="center">Report particulars indicated concerning notes payable at year end (Not Applicable)</p>							
Line No.	Payee (a)	Date of Note (b)	Date of Maturity (c)	Int. Rate (d)	Balance End of Year (e)		
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21	Total					\$0	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015
PAYABLE TO ASSOCIATED COMPANIES (Accounts 233, 234)				
Report particulars of notes and accounts payable to associated companies at end of year.				
Line No.	Name of Company (a)	Amount End of Year (b)	Interest for Year	
			Rate (c)	Amount (d)
	<u>Account 234</u>			
1	National Grid USA Parent	(15,148)		
2	NGUSA Service Company	(226,567)		
3	NG Engineering Svcs, LLC	(1,394)		
4	National Grid Electric Service	(6,021)		
5	PSEG Electric Service TSA Co	(100)		
6	Niagara Mohawk Power Corp	(1,588)		
7	Brooklyn Union Gas-KEDNY	(91)		
8	KS Gas East Corp-KEDLI	(3)		
9	Massachusetts Electric Co	(15,796,318)		
10	Boston Gas Company	(18)		
11	Narragansett Electric Co	(247)		
12	Granite State Electric Co	-		
13	Granite St Elec-Post Sale	(8,296)		
14	EnergyNorth Gas-Post Sale	(48,320)		
15	NG Energy Trading Svcs	(1)		
16				
17				
18				
19				
20				
21				
22				
23	Total Account 234	(16,104,112)		
24	<u>Account 233</u>			
25				
26	National Grid USA Service Co., Inc.			
27	(Money Pool)	0	0.7%	\$0
28				
29				
	Totals	(16,104,112)		\$0

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) March 29, 2016		December 31, 2015	
DEFERRED GAINS FROM DISPOSITION OF UTILITY PLANT (Account 256)							
(Not Applicable)							
<p>1. In column (a) give a brief description of property creating the deferred loss and the date the loss was recognized. Identify items by department where applicable.</p> <p>2. Losses on property with an original cost of less than \$50,000 may be grouped. The number of items making up the grouped amount shall be reported in column (a).</p> <p>3. In column (b) give date of Commission approval of journal entries. Where approval has not been received, give explanation following the respective item in column (a). (See Account 187, Deferred Losses From sale of Utility Plant.)</p>							
Line No.	Description of Property (a)	Date J.E. Approved (b)	Total Amount of Loss (c)	Balance Beginning of Year (d)	Current Year		Balance End of Year (g)
					Amortizations to Acc. 411,6 (e)	Additional Losses (f)	
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23	Total		\$	\$	\$	\$	\$

Name of Respondent		This Report Is:		Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) March 29, 2016	December 31, 2015

OPERATING RESERVES (Accounts 261, 262, 263, 265)

1. Report below an analysis of the changes during the year for each of the above-named reserves.
2. Show name of reserve and account number, balance beginning of year, credits, debits, and balance at end of year. Credit amounts should be shown in black, debit amounts enclosed by parentheses.
3. Each credit and debit amount should be described as to its general nature and the contra account debited or credited shown. Combine the amounts of monthly accounting entries of the same general nature. If respondent has more than one utility department, contra accounts debited or credited should indicate the utility department affected.
4. For Accounts 261, Property Insurance Reserve, 262, Injuries and Damages Reserve, explain the nature of the risks covered by the reserve.
5. For Account 265, Miscellaneous Operating Reserves, report separately each reserve composing the account and explain briefly its purpose.

Line No.	Name of Reserve (a)	Bal. Beg. of Year (b)	Contra Acct. Debited Credited (e)	Debits (c)	Credits (d)	Balance at end of Year
1	<u>Account 262 (FERC 228.2)</u>					
2						
3	Incurred but Not Reported 'Reserves (IBNR)	64,746	925	-	26,447	91,193
4						
5	Workman's Compensation Reserve	18,524	926	(83,278)	21,325	(43,429)
6						
7	Injuries and Damages (includes Gen, Auto and O	0	925	(85,818)	282,615	196,796
8						
9	<u>Account 263 (FERC 253):</u>					
10						
11	Pension	2,011,093	926	(1,298,406)	2,426,295	3,138,982
12						
13	Other Post Employment Benefits	2,220,418	926	(76,006)	318,511	2,462,923
14						
15	<u>Account 265 (FERC 253)</u>					
16						
17	FIN 48 Income Tax Liability	420,800	236/409	(175,428)	104,632	350,004
18						
19	FAS 112	647,112	926		38,894	686,006
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total	5,382,692		(1,718,936)	3,218,719	6,882,475

Name of Respondent		This Report Is:		Date of Report	Year of Report		
Nantucket Electric Company		(1) [x] An Original (2) [] A Resubmission		(Mo, Da, Yr) March 29, 2016	December 31, 2015		
SALES OF ELECTRICITY TO ULTIMATE CONSUMERS							
Report by account, the k.W.h. sold, the amount derived and the number of customers under each filed schedule or contract. Contract sales and unbilled sales may be reported separately in total.							
Line No.	Account No.	Schedule (a)	k.W.h (b)	Revenue (c)	Average Revenue per k.W.h. (d)	Number of Customers (Per Bills Rendered)	
						July 31, (e)	December 31, (f)
1	440	R-1 Residential	97,650,957	11,412,361	11.6869	10,770	10,674
2		R-2 Res-Low Income	1,844,166	233,738	12.6745	201	198
3		R-4 Rest-Time of Use	240,427	33,290	13.8462	56	56
4		G-1 General Service Sm	377,148	30,466	8.0780	41	43
5		S-4 St Lt-Security	247	30	12.1457	1	1
6							
7		Total Account 440	100,112,945	11,709,800	11.6966	11,069	10,972
8		Rate Refunds, Net	578,666	-1,615,082	-279.1044		
9							
10							
11							
12							
13							
14	442	R-1 Residential	573,723	69,274	12.0745	62	58
15		R-4 Res-Time of Use			0.0000		
16		G-1 Gen Svc Small	16,624,641	1,847,447	11.1127	1,226	1,218
17		G-2 Gen Svc Demand	7,790,459	844,299	10.8376	37	37
18		G-3 Time of Use Lrg	2,173,560	232,365	10.6905	2	2
19		S-4 St Lt - Security	0		0.0000		
20							
21	Total Account 442	27,162,383	2,993,471	11.0206	1,327	1,316	
22	Rate Refunds, Net	157,003	-412,861	-262.9638			
23							
24							
25	444	S-1 St Lt Co Own Equip	349	-50	-14.3266	1	1
26		S-2 St Lt Cust Own Equip	0				
27		S-3 St Lt UG Div of Own	79,106	9,472	11.9738	4	4
28		S-4 St Lt - Security	0				
29		St Lt - Cust Own Equip S-5	0				
30		Nonconforming St. Lt G-1	0				
31							
32	Total Street Lights	79,455	9,422	11.8583	5	5	
33	Rate Refunds, Net	459	-1299	-283.0065			
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							
50							
51							
52	Total						
53	Unbilled						
54	TOTAL SALES TO ULTIMATE CON		128,090,911	12,683,450	9.9019	12,401	12,293

Name of Respondent		This Report Is:		Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) March 29, 2016	December 31, 2015
OTHER UTILITY OPERATING INCOME (Account 414) (Not Applicable)					
Report below the particulars called for in each column.					
Line No.	Property (a)	Amount of Investment (b)	Amount of Revenue (c)	Amount of Operating Expenses (d)	Gain or (Loss) from Operation (e)
1		\$	\$	\$	\$
2					
3					
4					
5					
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30					
31					
32	Total	\$	\$	\$	\$

Name of Respondent Nantuckett Electric Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report Dec. 31, 2015
OVERHEAD DISTRIBUTION LINES OPERATED					
Line No.		Length (Pole Miles)			
		Wood Poles	Steel Towers	Total	
1	Miles - Beginning of Year	116.08		116.08	
2	Added During Year	7.63		7.63	
3	Retired During Year	-7.85		-7.85	
	Adjusted During Year.....				
4	Miles - End of Year	115.86		115.86	
5					
6					
7					
8	Distribution System Characteristics - A.C. or D.C., phase, cycles and operating voltages for light and power.				
9					
10					
11					
12					
13					
14					
15					
ELECTRIC DISTRIBUTION SERVICES					
Line No.	Item	Electric Services			
16	Number at beginning of year	6,970			
17	Additions during year :				
18	Purchased				
19	Installed	107			
20	Associated with utility plant acquired				
21	Total additions	107			
22	Reductions during year :				
23	Retirements	(119)			
24	Associated with utility plant sold				
25	Total reductions	(119)			
26	Adjustments during year:				
27	Adjustments	-			
	Adjustments due to miscalculation in prior years.....	-			
26	Number at End of Year	6,958			

[illegible]

Name of Respondent		This Report Is:		Date of Report	Year of Report
NANTUCKET ELECTRIC COMPANY		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) March 29, 2016	December 31, 2015

RATE SCHEDULE INFORMATION				
1. Attach copies of all filed rates for general consumers.				
2. Show below the changes in rate schedules during the year and the established increase or decrease in annual revenue predicated on the previous year's operations.				
Date Effective	M.D.P.U. Number	Rate Schedule	Estimated Effect on Annual Revenues	
			Increases	Decreases
1/1/2010	521	RESIDENTIAL REGULAR R-1		
1/1/2010	522	RESIDENTIAL-LOW INCOME R-2		
1/1/2010	524	LIMITED RESIDENTIAL ELECTRIC SPACE HEATING E R-1/R-2/E COMBINED	5%	
1/1/2010	523	RESIDENTIAL - TIME-OF-USE (OPTIONAL) R-4	11%	
1/1/2010	525	GENERAL SERVICE - SMALL COMMERCIAL AND INDUSTRIAL G-1	5%	
1/1/2010	526	GENERAL SERVICE - DEMAND G-2		-5%
1/1/2010	527	TIME-OF-USE - G-3		-13%
1/1/2010	528	STREET AND AREA LIGHTING – COMPANY OWNED EQUIPMENT S-1		
1/1/2010	529	STREET LIGHTING – OVERHEAD – CUSTOMER OWNED EQUIPMENT S-2		
1/1/2010	530	STREET LIGHTING – UNDERGROUND – DIVISION OF OWNERSHIP S-3		
1/1/2010	531	STREET AND AREA LIGHTING – CUSTOMER OWNED EQUIPMENT S-5		
1/1/2010	532	DECORATIVE STREET AND AREA LIGHTING – COMPANY OWNED EQUIPMENT S-6		
1/1/2010	533	STREET AND AREA LIGHTING – HIGH PRESSURE SODIUM VAPOR CONVERSION COMPANY OWNED EQUIPMENT S-20		
		STREET AND AREA LIGHTING COMBINED	2%	

Note: Effect on annual revenues is estimated for Massachusetts Electric Company and Nantucket Electric Company combined, together doing business as National Grid and includes estimated impact of changes in Net CapEx Factors, Residential Assistance Adjustment Factor, Storm Recovery Adjustment Factor, Storm Fund Replenishment Factor, Revenue Decoupling Mechanism Factor, Pension/PBOP Adjustment Factor and Basic Service Administrative Cost Factors

Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1)[X] An Original (2)[] A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015
ADVERTISING EXPENSES				
Line No.	Account No.	Type (a)	General Description (b)	Amount for Year (c)
1	Account 909			
2				
3		A&G Admin		1,380
4		A&G C&I Admin		4,598
5		A&G Residential Admin		47
6		C&I Direct Install		1,173
7		C&I New Construction		15,347
8		C&I Retrofit		13,118
9		NWA C&I Direct Install		17,057
10		NWA Low-Income Single Family		5,980
11		NWA Residential Consumer Pro		26,198
12		NWA Residential Cooling & He		14,531
13		NWA Residential Home Energy		48,900
14		NWA Residential Lighting		21,575
15		NWA Residential Multi-Family		13,055
16		NWA Residential New Construc		5,980
17		Residential Behavior/Feedbac		146
18		Residential Consumer Product		3,135
19		Residential Cooling & Heatin		523
20		Residential Home Energy Serv		40,335
21		Residential Lighting		3,722
22		Residential Multi-Family Ret		6,727
23		Other		16,392
24				
25	Total Account 99090000			<u>259,919</u>
26				
27				
28	Account 99130000			
29				
30		Customer & Prod Exp		4,090
31		Digital Chan Engage		332
32		Energy Solutions		0.36
33		Facilities Oper-DNY		16
34		Strategic Marketing		11
35		US Brand Implement		55
36		VP Marketing		34
37				
38	Total Account 99130000			<u>4,539</u>
39				
40				
41	Account 99301000			
42				
43		Outreach & Prod Camp		11.87
44		Strategic Marketing		76
45		US Brand Implement		1,438
46		VP Marketing		25
47		VP New Energy Sol		0
48				
49	Total Account 9930100			<u>1,551</u>
50				
51				
52				
53	TOTAL			<u>266,009</u>
54				

Name of Respondent	This Report Is:	Date of Report	Year of Report
Nantucket Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015

CHARGES FOR OUTSIDE SERVICES (Continued)

1. Report the information specified below for all charges made during the year included in any account

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside services, such as services concerning rates, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounted to 5% or more of total charges for outside professional and other consultative services, including payments for legislative services except those which should be reported in Account 426.4, Expenditures for Certain Civic, Political and Related Activities:

(a) Name and address of person or organization rendering services,
(b) description of services received during year and project or case to which services relate,
(c) basis of charges,
(d) total charges for the year, detailing utility department and account charges.

2. For aggregate payments to any one individual, group, partnership, corporation or organization of any kind in excess of \$25,000 (not included in No. 1), there shall be reported the name of the payee, the predominant nature of the services performed and the amount of payment. Amounts charged to plant accounts shall be reported separately.

3. All charges not reported under No. 1 or 2 shall be aggregated by the type of service and each type shall show the amount charged. Amounts charged to plant accounts shall be reported separately for each type.

4. For any such services which are of a continuing nature give date and term of contract and date of Commission authorization, if contract received Commission approval.

5. Designate associated companies.

1. (a) National Grid USA Service Company (Associated Company)
40 Sylvan Road, Waltham, Massachusetts 02451

(b) The following services are rendered:

Servicing Division:

Purchasing, Stores, Rates, Advertising, Employee Relations,
Treasury, Accounting, Audit, Insurance, Taxes, Emergency
Service, Administrative and Budgeting.

Engineering and Construction Division:

Civil and Mechanical Engineering, Electrical and District
Engineering, Transmission Lines and Properties, Engineering
Supervision, Construction, Emergency and Miscellaneous.

(c) At cost, including interest on borrowed capital and a reasonable return on amount of capital necessary to perform services. Services performed by the Service Company for companies in the National Grid USA system will be rendered to them at cost in accordance with the service contracts between Service Company and its associate companies.

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015
Nantucket Electric Company			
CHARGES FOR OUTSIDE SERVICES (Continued)			
23	<p>4 Service Agreement dated as of November 5, 2012 between National Grid USA Service Company, Inc. and certain of its affiliates party thereto.</p> <p>A Mutual Assistance Agreement dated as of March 28, 2008, as extended by a letter agreement effective as of March 19, 2015.</p>		
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Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015
CHARGES FOR OUTSIDE SERVICES (Continued)				
71				
72	<u>Account #</u>			
73		<u>Transmission Expenses</u>		
74	560	TransOper Superv&Eng		(11)
75	562	Station Expenses		493
76	568	Maint-Superv & Eng		133
77		Total Transmission		<u>615</u>
78				
79				
80				
81		<u>Distribution Expenses</u>		
82	580	Load Disp-Monit&Oper		18,347
83	581	Load Dispatching		32,898
84	582	Station Expenses		1,585
85	583	Overhead Line Exp		7,384
86	584	Underground Line Exp		2,764
87	585	St Light&Sig Sys Exp		5
88	586	Meter expenses		4,161
89	587	Customer Install Exp		522
90	588	Maint-Computer Software		23,283
91	589	Rents		416
92	590	Maint-Superv & Eng		110
93	592	Maint-Station Equip		3,185
94	593	Maint-Overhead Lines		230,605
95	595	Maint-Line Transform		15
96	598	Maint-Misc DistPlant		69
97		Total Distribution		<u>325,348</u>
98				
99		<u>Customer Expenses</u>		
100	901	Superv-Cust Acct Exp		9,493
101	902	Meter Reading Exp		2,688
102	903	Cust Record&Coll Exp		9,056
103	904	Uncollectible Accts		72
104	905	Misc Cust Accts Exp		10,048
105	908	Customer Assist Exp		211,069
106	909	Informational and Instructional Advertisingexpenses		20,992
107	910	Misc Cust Serv&Info		6,927
108		Total Customer		<u>270,346</u>
109				
110				
111		<u>Sales Expense</u>		
112	912	Demonstr&Selling Exp		8,140
113	913	Adver Total Distribution		3,683
114		Total Sales		<u>11,823</u>
115				
116				
117		<u>Administrative and General Expense</u>		
118	920	Admin & Gen Salaries		707,037
119	921	Office Supplies&Exp		264,989
120	923	OutsideServ Employed		686
121	924	Property insurance		120
122	925	Injuries and damages		93,222
123	926	Empl Pensions & Ben		765,013
124	928	Reg Commission Exp		7,397
125	930.1	Gen Advertising Exp		1,551
126	930.2	Misc Total Customer		13,138
127	931	Rents		120,391
128	935	Maint-General Plant		2,530
129		Total Administrative and General		<u>1,976,075</u>
130				
131				
132		Total Electric Operating and Maintenance Expense		2,584,207
133				
134				
135				

Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015
CHARGES FOR OUTSIDE SERVICES (Continued)				
136				
137	<u>Account #</u>			
138				
139	107	CWIP		598,395
140	106	Accum Prov for Depr		2,468
141	146	Accounts receivable from affiliates		107,347
142	163	Stores Clearing		43,959
143	228.2	Injuries & Damages R		77,252
144	230	Accounts Payable to Associated Companies		370
145	403	Depreciation expense		15,613
146	405	Amort of Other Plant		178,897
147	408.1	TaxOthThanInc-UtilOp		92,428
148	409.1	Exp Non-Utility Oper		25,901
149	418	Interest and Div Inc		(15,220)
150	419	Misc Non-Oper Inc		(4,073)
151	421	Loss Dispos of Prop		1
152	426.1	Donations		19,722
153	426.2	Life insurance		7,053
154	426.4	Exp Civic, Polit Act		2,070
155	426.5	Other deductions		13,936
156	431	Other Interest Exp		2,124.30
157		Total Other Accounts		<u>1,168,243</u>
158				
159				
160				
161		Total Charges		<u>1,168,243</u>
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Name of Respondent	This Report Is:	Date of Report	Year of Report
Nantucket Electric Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015

CHARGES FOR OUTSIDE SERVICES (Continued)			
188	<u>Payment for Outside Vendors and Other Consultative Service</u>		
189			
190			
191	<u>Plant Accounts</u>		
192	<u>Vendor</u>		
193	CLEAN HARBORS ENVIRONMENTAL SERVICE		69,642
194	GAGNON LINE CONSTRUCTION INC.		42,286
195	KOBO UTILITY CONSTRUCTION CORP.		1,262,808
196	PRO. UNLIMITED INC.		115,889
197	TOWN OF NANTUCKET		98,201
198	TRI-WIRE LINE CONSTRUCTION, INC		40,209
199	Other Vendors (27)		134,225
200			
201	Total Plant Accounts	\$	1,763,260
202			
203			
204	<u>Operation Accounts</u>		
205	ASPLUNDH CONSTRUCTION CORP.		197,597
206	COMPUTER SCIENCES CORP		64,259
207	DELOITTE CONSULTING LLP		111,425
208	FIRST CONTACT, LLC		36,189
209	GAGNON LINE CONSTRUCTION INC.		530,374
210	IBM CORP.		46,145
211	KOBO UTILITY CONSTRUCTION CORP.		228,944
212	Massachusetts Electric Co		35,238
213	NATIONWIDE CREDIT INC.		745,099
214	NORTHLINE UTILITIES LLC		110,784
215	ON TARGET UTILITY SERVICES		92,218
216	PRICEWATERHOUSECOOPERS LLP		32,784
217	PRO. UNLIMITED INC.		30,094
218	TRI-WIRE LINE CONSTRUCTION, INC		504,326
219	UNIPART SERVICES AMERICA		45,351
220	VERIZON BUSINESS SERVICES		45,951
221	WIPRO LTD.		81,211
222	Other Vendors (564)		430,482
223			
224	Total Operation Accounts	\$	3,368,469
225			
226			
227			
228	Total Charges	\$	5,131,730
229			
230			
231			
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Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) March 29, 2016	Year of Report December 31, 2015
Nantucket Electric Company			
DEPOSITS AND COLLATERAL			
1. Statement of money and the value of any collateral held as guaranty for the payment of charges pursuant to Massachusetts General Laws. Chapter 164, Section 128.			
Line No.	Name of City or Town	Amount	
1	Nantucket	232,827	
2			
3			
4			
5			
6			
7			
8			
9			
10	Deposits on Hand = Cash received.		
11			
12	*Provided by Billings Management		
13			
14			
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49			
50	Total	\$232,827	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report [Mo, Da, Yr] March 29, 2016	Year of Report December 31, 2015
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THIS RETURN [THE FERC FORM NO. 1 AND THE MASSACHUSETTS SUPPLEMENT]
IS SIGNED UNDER THE PENALTIES OF PERJURY

Charles DeRosa

VP, US and Treasurer

Sharon Partridge

VP, US Financial Controller

SIGNATURE OF ABOVE PARTIES AFFIXED OUTSIDE THE COMMONWEALTH OF
MASSACHUSETTS MUST BE PROPERLY SWORN TO

New York

SS.

3/29/

2016

Then personally appeared

Sharon Partridge, VP &
Financial Controller and Charles DeRosa,
VP, US and Treasurer

and severally made oath to the truth of the foregoing statement by them subscribed according to their best
knowledge and belief.

Notary Public
Justice of the Peace

NOTARY PUBLIC EXP
7/15/19

Name of Respondent		This Report Is:	Date of Report	Year of Report
Nantucket Electric Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) March 29, 2016	December 31, 2015
RETURN ON EQUITY				
Line No.	FERC Form 1 Reference	Description	Amount (000's)	
1	Net Utility Income Available for Common Shareholders			
2				
3	Add: Page 117 Line 27	Net Utility Operating Income	\$3,825	
4				
5	Add:	Amort of Acquisition Premium	0	
6				
7				
8				
9	Less: Page 117 Line 70	Net Interest Charges	612	
10				
11	Less: Page 118 Line 31	Preferred Stock Dividends	0	
12				
13	Net Utility Income Available for Common Shareholders		<u>3,213</u>	
14				
15				
16	Total Utility Common Equity			
17				
18	Add: Page 112 Line 16	Total Proprietary Capital	48,892	
19				
20	Add: Page 112 Line 9	Discount on Preferred Stock	0	
21				
22	Add: Page 112 Line 10	Preferred Stock Expense	0	
23				
24	Less: Page 112 Line 3	Preferred Stock Issued	0	
25				
26	Less: Page 112 Line 12	Unappropriated, Undistributed Sub Earnings	0	
27				
28	Less: Page 200 Line 12	Acquisition Adjustments	16,552	
29				
30	Add: Page 200 Line 32	Amort of Plant Acquisition Adjustments	846	
31				
32	Total Common Equity Excluding Unamort Acquisition Adjustment		33,186	
33				
34	Electric Operations Allocator (Line 51 below)		99.17%	
35				
36		Total Utility Common Equity	<u>32,911</u>	
37				
38				
39	Electric Operations Allocator			
40				
41	Add: Page 110 Line 4	Total Utility Plant	134,190	
42	Less: Page 200 Line 12	Acquisition Adjustments	16,552	
43			<u>117,638</u>	
44				
45				
46	Add: Page 110 Line 4	Total Utility Plant	134,190	
47	Add: Page 110 Line 32	Total Other Property and Investment	980	
48	Less: Page 200 Line 12	Acquisition Adjustments	16,552	
49			<u>118,618</u>	
50				
51		Electric Operations Allocator (Line 43 / Line 49)	99.17%	
52				
53				
54				
55	Return on Equity	(Line 13 / Line 36)	<u>9.76%</u>	
56				